

Israel and Lebanon expected to sign accord tomorrow

By DAVID LANDAU
Post Diplomatic Correspondent

Israel and Lebanon will sign their end-of-war agreement at a two-phase ceremony at Haifa and Kiryat Shmona tomorrow, assuming that the Knesset and Lebanon's parliament approve the accord today as expected.

The signing will be followed by a period of acute tension while Syria determines its course of action. Israeli policymakers fear this tension could erupt into localized exchanges of fire across the front lines; but they do not anticipate a full-scale conflagration. The assessment in Jerusalem is that neither the Syrians nor the Soviets want to risk an all-out war.

Israel to set deadline for Syrian pullout

BEIRUT (Reuters). — Israel has warned Lebanon that it will consider their troop withdrawal accord null and void if Syrian troops do not pull out before a deadline Israel will set later, Lebanese officials said yesterday.

They said President Amin Jemayel revealed the Israeli stance at a private meeting with Lebanese religious leaders to secure support for the U.S.-backed deal. Israel has said its commitment to withdraw its estimated 25,000 men from Lebanon is dependent on a parallel pullout by Syria, which strongly opposes the Lebanese-Israeli agreement.

But Lebanese officials have not spoken before of Israel setting a deadline for the Syrians to leave.

During this dangerous period Israel is expected to be vigilant and sit tight. Government sources noted yesterday there are high hopes in Washington that the Syrians will in the end agree to withdraw their forces from Lebanon along with those of Israel. The hopes are at least to some extent shared in Jerusalem, and the government intends to allow the Syrians time for decisions, and the Syrian-Lebanese negotiating process time to crystallize and this concomitant inter-Arab pressures and influences time to make themselves felt.

The Americans believe the Syrians will take a month to make their minds up. In Jerusalem officials say they are anticipating a period "not of days, nor of months," — after which, if the Syrians remain obdurate, Israel will have to consider the available options.

While the prevailing assessment is that the other side is not interested in major hostilities, government policy-makers have been assured by the Defence Minister and the army that Israel is militarily prepared for all eventualities.

The cabinet yesterday was appraised of the likelihood that Syrian troops stationed on the Golan Heights might provoke incidents to "put the Syrian claim to recover the Golan on the international agenda."

Defence Minister Moshe Arens told the cabinet that orders would be given to the IDF units in Lebanon and on the Golan to avoid unnecessary friction with the Syrians, and to ensure the absolutely minimum exchange of fire.

(Continued on Page 2, Col. 7)



Histadrut members demonstrate outside the Prime Minister's Office in Jerusalem yesterday protesting against the doctors strike. (Rahamim Israeli)

'New approach' by Gov't to end doctors strike

By MARGERY GREENFIELD
Jerusalem Post Reporter

Spurred by a sense that the medical crisis is rapidly reaching a boiling-over point, Treasury and Health Ministry officials last night met with the striking doctors to present a brand-new proposal worked out in feverish all-day meetings yesterday by the employers.

"We hope that this new offer will be acceptable to the doctors and that we can end this strike in the next few days," Health Minister Eliezer Shostak told *The Jerusalem Post* last night.

The meeting, the first since talks were broken off by the Israel Medical Association last Thursday

night, was held in an undisclosed location to keep the proceedings a secret from the media.

The new offer, reflecting mainly Shostak's line of thinking, was worked out at a meeting last Friday between the health minister and Finance Minister Yoram Aridor.

While Shostak refused to divulge any details of the proposal, it was learned that a "new approach" was found that would answer the doctors' demands for a doubling of their basic salary at much lower total outlay than the figures previously released by the Treasury.

Despite the ministers' decision on Friday to avert the confrontation (Continued on Page 2, Col. 3)

Arens says Lavi prototype will be flying by 1986

Jerusalem Post Reporter

TEL AVIV. — The prototype of the Lavi warplane will be aloft in 1986, Defence Minister Moshe Arens yesterday told leading members of the Labour Party at the Dan Hotel here.

Arens noted that \$100 million had been invested in preliminary work and confirmed that up to \$2 billion might be spent in development work until the prototype is finished.

Arens stressed several times that "the quicker we get to work on the Lavi, the less it will cost to plan and build it," adding that when it is finished, "it will be the most advanced plane in the world."

He pointed out that the U.S. is not presently developing any new combat plane, although Sweden and France are. Thus, the Lavi should be more technologically advanced than anything the Americans would have in 1986, and hopefully ahead of, or at least equal to, anything developed by France or Sweden.

Arens said Israeli authorities had faced a key question before going ahead with the Lavi: the level of Israeli technology, planning ability, and research and development. He said that in "some fields," Israel is (Continued on Page 2, Col. 2)

Two shot in Nablus unrest

Jerusalem Post Reporter

NABLUS. — Four local residents were injured yesterday during a disturbance here. According to military sources, two were wounded by gunshots, one was hit by a stone and another injured himself by running into a plate glass window.

Security sources attributed the disturbances to the "traditional" day of protest in the territories against the establishment of the State of Israel on May 15.

Abdul Rahman Stitiyeh, 51, was shot in the chest, but the bullet was not recovered as it apparently passed through his body. This means police have no way of determining the type of weapon from which it was fired. He was taken unconscious to Meir Hospital in Kfar Sava.

Jamal Yusef Saban, 21, was shot while fleeing Border Police pursuing him in a jeep, a military source said. The policemen shouted to him

to stop, and when he kept running, they shot at him, the source said. Saban was wounded in both thighs, apparently from more than one shot, and he was taken to a local hospital.

A 71-year-old man was injured in the head by a stone. A 22-year-old man was hurt when he ran into a store window while fleeing the demonstration.

Security forces arrested scores of youths for investigation and imposed a curfew on Nablus' old city.

In Ramallah and Kfar Sa'ir, there were also disturbances during which youths threw stones at passing Israeli vehicles. Security forces dispersed the demonstrators and closed the Sa'ir junior high school for two weeks.

A petrol bomb was tossed at a military vehicle as it passed the Balata refugee camp near Nablus last night. There were no injuries and no damage was caused.

Syria warns of civil war in Lebanon if pact signed

BEIRUT (Reuters). — Syrian state-controlled newspapers yesterday warned for the first time that a new civil war would break out in Lebanon if the government went ahead and signed the agreement with Israel.

Al-Baath, organ of the ruling Baath Party, said Syria would give all possible support to efforts inside and outside Lebanon to torpedo the agreement and it called for an "escalation of national struggle."

This was seen in Beirut as a possible reference to a meeting on Saturday of seven pro-Syrian Lebanese politicians who expressed strong reservations about the deal.

Despite Syria's effective veto, which threatened to make the agreement a dead letter, Lebanese President Amin Jemayel yesterday continued to seek support for it at home and among Arab countries.

He despatched a special envoy, Economy Minister Ibrahim Halawi, on a tour of Kuwait, Abu Dhabi, Qatar and Bahrain, state-run Beirut

Radio reported. On Saturday night, Housing Minister Bahaadin Bessat left for Algiers.

Lebanon's state-run national news agency reported that Algerian President Chadli Benjedid told Jemayel on Saturday night he "stood beside Lebanon and its president."

"Lebanon needs Arab support, especially at this critical stage," the Algerian leader was quoted as telling Jemayel in a telephone conversation.

The politicians, who include Druse leader Walid Jumblatt, stopped short of issuing a widely expected statement announcing the formation of a "national front" to oppose the troop withdrawal accord.

Jumblatt and five other leftist leaders yesterday met Syrian President Hafez Assad in Damascus to discuss regional developments in the light of the Lebanese-Israeli agreement, Damascus Radio reported.

Arafat in bid to quell Fatah dissent

DAMASCUS (AP). — Palestine Liberation Organization chief Yasser Arafat conferred yesterday with leaders of his Fatah faction amid persistent reports of dissension within PLO units in Lebanon.

The Palestinian news agency WAFA said Arafat discussed "domestic affairs" in Fatah "in light of the suspicious political campaign which wants to insinuate that unity is being weakened."

The meeting, attended by Fatah's senior military commanders, came after Arafat paid his second visit in as many days to PLO units in Lebanon's eastern Bekaa valley, aides said.

The aides said the visit, and a previous one made Friday, were to inspect PLO forces in the Bekaa, where an estimated 8,000-12,000 are stationed in Syrian-controlled territory.

However, other sources within Fatah said Arafat was trying to quell dissension within Fatah ranks.

Those sources — who are opposed to what they see as Arafat's willingness to negotiate with Jordan and the U.S. — said several PLO units in the Bekaa had refused to take orders from Arafat or his military commander, Khalil Wazir, known as Abu Jihad.

Security forces probing West Bank vigilantes

By ROBERT ROSENBERG
Jerusalem Post Reporter

The security forces are investigating the West Bank Jewish vigilante group calling itself the Fist of Defence (Egrot Magen). A Justice Ministry report said to document vigilantism in the territories may

soon see the light of day.

The failure of the Justice Ministry, the police, and the military to implement recommendations of the ministry report apparently led to the recent resignation of the committee's chairman, Deputy Attorney-General Yehudit

Karp. *The Jerusalem Post* has learned that the committee still formally exists, but has been without a chairman since Karp resigned three weeks ago.

The security forces are investigating the Fist of Defence, an organization of West Bank settlers who have taken credit for a series of attacks on Arab property — including vandalizing automobiles, smashing windows in homes, and possibly exploding a bomb outside the Hebron mosque — at a time when the national police and officials connected with the justice system in the West Bank speak openly about "two systems of justice" in the territories.

The dam of silence on the subject of "two systems of justice, one for Arabs and one for Jews," as one police officer has described it, was broken by the resignation of Karp as chairman of the ministry committee. Since then, senior police and justice officials have spoken bluntly.

Former Jerusalem district attorney Michael Kirsh said yesterday that "two systems" indeed exist in the territories, and like senior police

officers — prohibited from identifying themselves because of the political nature of the subject — he indicated strongly that there are political echelons that encourage the military in the territories to turn a blind eye to vigilantism.

The Fist of Defence came to light two weeks ago when, after a series of attacks on Arab property, a spokesman for the group called Kol Yisrael to take credit. The spokesman warned that for every Arab attack on Jews in the West Bank there would be retaliation. There have been more than a dozen cases of "retaliation" since.

Although police are hesitant to admit it, they concede they are "practically incompetent" to act as an investigative force in the territories, because ultimately, all authority resides with the Israel Defence Forces.

But police sources have told *The Post* they estimate that about a dozen "well-trained" men have been involved in Fist of Defence actions.

Furthermore, the police sources (Continued on Page 2, Col. 4)

Prices rocket by 13.3 per cent

April inflation rate hits all-time record level

By AVI TEMKIN
Post Economic Reporter

The highest inflation rate registered for a single month since the establishment of the State was announced yesterday. The Central Bureau of Statistics (CBS) said the Consumer Price Index (CPI) rose by 13.3 per cent in April. This rise brings the CPI to 934.9 points if 1980 prices are taken as a baseline of 100.

The April increase brings the rate of inflation for the first third of the year to 37.7 per cent, which means an annual rate of about 160 per cent.

News of the record inflation figure came as a surprise to Treasury officials. They had predicted a rate not higher than 11 per cent, similar to the one registered for April during the last three years.

Reacting to the CBS report, the Treasury said that the inflation figures are yet another demonstration that the ministry is right to fight against expanding government expenditure and against wage demands which are beyond the country's means.

The Treasury pointed out that it expects the inflation rate to slow down in the coming months, and that the full results of its economic policy will be felt by September.

The Manufacturers' Association said the April index figure was the result of the government squandering hundreds of millions of dollars.

The opposition parties were unanimous in their condemnation of Treasury policies and called for the resignation of Finance Minister Yoram Aridor. Among those making such a call were the head of the Alignment faction in the Knesset

Finance committee, Adi Amori, the chairman of the Knesset Economic Committee Gad Ya'acobi (Alignment) and MK Mordechai Virshubski (Shinui).

The Secretary-General of the Histadrut, Yeroham Meshel, said the labour federation is conducting urgent research into how the rapidly rising cost of living influences the real wages, "and will request that the wage agreements, currently being discussed with the employers, fully maintain the level of income of the worker."

All of the CPI categories rose in April, but two-thirds of the total increase in the index was contributed by five items: fruits and vegetables, housing, home maintenance, clothes and footwear, and health services.

The fruit and vegetables item in the CPI rose by 17.7 per cent in April, which translated into a 1.6 per cent contribution to the total rise of the CPI. Prices in this item have increased by 89.7 per cent since the beginning of the year, and by 242 per cent since last April.

Excluding fruit and vegetables, the CPI increase in April totalled 12.8 per cent. For the first third of the year the CPI, excluding fresh produce, rose by 33.8 per cent, a rate very similar to the one registered during the first third of last year.

The price of health services also registered a relatively high increase, 9.3 per cent, in April, 47.8 per cent since December; this increase was caused by the quarterly adjustment of Kupat Holim (health fund) fees and the increase in the price of medicine. The other half was contributed by the IS600 which doctors are charging for services during their strike.

The CBS stressed that the IS600 fee contributed only 0.4 per cent of the full 13.3 per cent increase of the CPI.

The start of the summer season at stores was reflected in a 24.3 per cent rise in the price of clothes and footwear. Despite this fact, clothing

(Continued on Page 2, Col. 4)

Moda'i blasts treasury's handling of economy

KFAR SAVA. — The April cost-of-living index increase, showing cumulative inflation of 160 per cent a year, proves that the Treasury's methods have so far not produced the expected results, Energy Minister Yitzhak Moda'i said last night.

Speaking at a Liberal Party leadership meeting, Moda'i said the Treasury will have to change its economic policy, even if it doesn't change the name.

He added that what the Treasury could have done two years ago, could no longer be done with same financial means today.

Moda'i hinted at an eventual collapse, but said the government economic policy was agreed upon by the whole cabinet, which is just as responsible as Finance Minister Yoram Aridor. Moda'i said he himself had always voted against the current economic policy.

Stock market ignores Aridor assurances

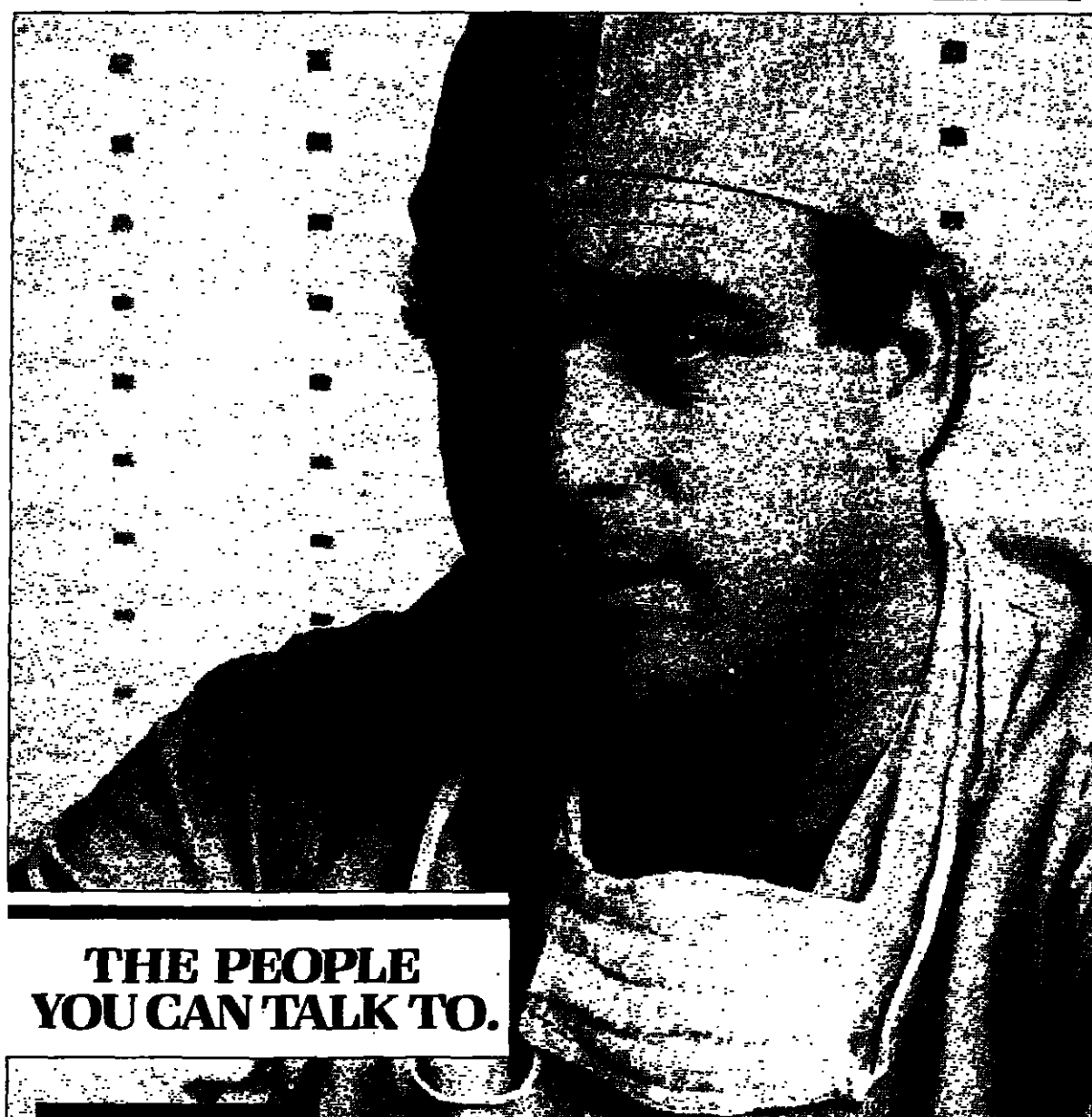
By JOSEPH MORGENSTERN

Post Finance Reporter

TEL AVIV. — "Finance Minister Yoram Aridor's promises to support the share market have been totally rejected by the general public. Last Thursday's one-session rise was a knee-jerk reaction rather than a return of confidence in the ability of shares to rise," observed one market analyst in the wake of yesterday's trading session, which saw a sharp drop in equity prices.

The general share index, banking shares excepted, fell by 3.09 per cent. Trading could not be established in 64 securities and these were declared "sellers only" and their prices dropped by 5 per cent. By contrast, only one issue was "buyers only."

In advance of the announcement of the 13.3 per cent rise in the April cost-of-living index, there were across-the-board price gains in the index-linked bond sector of trading. (Full report — page 7)



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AMSTERDAM	14	9	19	84	66	Cloudy
BRUSSELS	13	8	18	60	64	Clear
BUENOS AIRES	13	9	17	56	63	Clear
CHICAGO	12	5	19	64	59	Clear
COPENHAGEN	11	3	19	61	59	Clear
FRANKFURT	11	3	17	53	63	Clear
GENEVA	8	4	15	59	50	Cloudy
HILINKI	8	4	14	57	53	Clear
HONG KONG	23	17	29	81	88	Rain
JERUSALEM	9	4	18	61	50	Cloudy
LONDON	10	5	17	63	63	Rain
LONDON	9	4	15	59	50	Cloudy
MADRID	7	4	17	63	55	Cloudy
MONTREAL	10	5	22	72	72	Cloudy
NEW YORK	10	5	21	70	68	Rain
OSLO	8	4	15	59	50	Cloudy
PARIS	10	5	18	64	64	Cloudy
RIO DE JANEIRO	21	17	25	80	77	Cloudy
SAO PAULO	17	12	20	68	68	Cloudy
STOCKHOLM	3	3	18	65	59	Clear
TORONTO	18	11	23	73	73	Clear
TORONTO	8	4	18	65	64	Cloudy
ZURICH	9	4	18	64	64	Cloudy

* For the latest weather conditions, contact Swissair

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THE WEATHER

Forecast: Scattered rain in the North.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Min-Max
Jerusalem	56	10-22	23
Golan	80	14-19	19
Nahariya	84	17-21	22
Safed	77	12-16	17
Haifa Port	78	18-22	22
Theress	63	17-26	26
Nazareth	68	14-22	22
Afula	62	14-22	26
Shamun	64	14-22	22
Tel Aviv	74	16-22	23
B-G Airport	60	15-25	25
Jericho	32	16-31	31
Gaza	74	14-24	34
Beersheba	36	14-27	27
Hilat	16	19-34	33

SOCIAL & PERSONAL

Mrs. Doris Weiler of New York on Friday received an Honorary Fellowship of the Hebrew University. The ceremony, which was held at the Majersdorf Faculty Club on the Mount Scopus campus, was chaired by University President Prof. Don Patinkin. Among those present was Jerusalem Mayor Teddy Kollek.

Mr. and Mrs. Arnold Forster, New Rochelle, New York, visited the David Yellin Teachers College, Jerusalem, and met with the College Dean, Dr. Norman Schanin. Forster, the General Counsel of the ADL-B'nai B'rith, is a Member of the Board of the American Friends of the College. He will be honoured at the annual Friends Dinner in New York on June 21, 1983. (Communicated)

Dvora Harel, 73

AFULA (Itin). — Dvora Harel, late Labour Party leader Yigal Allon's sister, died yesterday at age 73. She was born in Kfar Tabor, and Allon wrote in his book *My Father's House*, how she brought him up after they lost their mother.

TRADE DEFICIT

The foreign trade figures cited in yesterday's report on the January-April trade deficit should have read millions of dollars and not billions as printed through a technical mishap.

Welcome to Israel

Doris Weiler of New York and her family and many friends

on the occasion of her 80th birthday, which was marked by the recent dedication of the Doris Weiler Garden at Ramat Eshkol. Some of the many overseas guests who attended were: husband, Jack D. Weiler, New York philanthropist, and representatives of four generations of Weilers: David Mitchell and his mother Ellen of New York; Mr. and Mrs. Victor Carter of Los Angeles; and Steven Swig of San Francisco. Also, the trustees of Jerusalem College of Technology, and of the Jerusalem Foundation, and our own, ubiquitous Mayor of Jerusalem, Teddy Kollek.

Mazel Tov from the Capt. Yehiel and Ruth Glosky Langer Hospitality Foundation, 1 Mapa Street, Jerusalem.

HOME NEWS

J'lem revives plan for Shuafat stadium

By ABRAHAM RABINOVICH
Jerusalem Post Reporter

The proposal to build a municipal sports stadium at Shuafat in northern Jerusalem — aborted three years ago because of pressure by the ultra-Orthodox community — was revived last night by the City Council in the wake of last week's rejection of a Katamon site by the District Planning Commission.

The council called on Prime Minister Menachem Begin to give the government's backing — and money — to construction of the Shuafat stadium.

The council's move is bound to bring heavy counter-pressures on Begin by his Agudat Yisrael coalition partners.

Voting for the Shuafat proposal last night was Kollek's One Jerusalem faction, which has 16 of the 31 council seats, and Likud Councilman Reuven Rivlin. Another Likud councilman, Reuven Pressburger, abstained and the three other Likud councilmen were absent. Aguda and Tadir councilmen opposed the move and the National Religious Party faction abstained.

The council called for a municipality delegation to meet

with Begin to explain to him the gravity of the problem and to decide with him on an interim site — such as the Hebrew University stadium at Givat Ram — which could be used until a stadium is built. The council also authorized the municipal executive to appeal the District Planning Commission decision.

Earlier, Kollek told the council that last week's decision had left him more frustrated than he had ever been in his 17 years as mayor. "I declare to you that I don't know how to continue," he said. "I have no solution to offer. I don't blame anyone except myself. This is the biggest promise I've made (to have a stadium) and not kept. I see no practical way out."

Despite indicating his feelings that Shuafat was an unlikely solution, he voted for the motion.

Municipal officials said that Begin had a moral obligation to assist in a solution since he had promised such assistance three years ago when he asked Kollek to drop Shuafat and find another site. Kollek praised the Likud-controlled Housing and Transport Ministries for ordering their representatives on the planning commission to support the Katamon proposal.

Begin to turn down Moda'i group request

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Sources close to Prime Minister Menachem Begin told *The Jerusalem Post* yesterday that Begin will refuse Energy Minister Yitzhak Moda'i's request that he and four other Liberals be allowed to form an independent faction within the Likud.

The reply to this from the Moda'i group was "If that's the case, then perhaps Begin does not quite understand how serious and grave a situation he has got on his hands. If his reply is negative, the results may be disastrous for the Likud. The government of Israel will have a very crucial problem and anything will be possible."

This reply was made to *The Post* yesterday by one of the leading members of the Moda'i faction. Apart from Moda'i, the faction includes Deputy Agriculture Minister Pessah Grupper, and MKs Pinhas Goldstein, Benny Shalita, and Yehuda Perah.

The sources close to Begin told *The Post* that the prime minister will not allow a new party to be formed within the Likud, since to do so would violate the agreement between Herut and the Liberals, which stipulates that no new factions be admitted into the Likud without the prior agreement of all the Likud's component parties.

The belief in Begin's office is that Moda'i will not carry out his threat to leave the Likud and perhaps team up with Labour, if an independent status in the Likud is not guaranteed him.

The thinking in Begin's office is that the five MKs will not get elected if they run on their own in

the next elections. Thus, leaving the Likud might not only shatter the Liberal Party and cause the coalition's downfall, but also spell the end of the quintet's political careers.

One MK in the Moda'i group told *The Post* bluntly, "I wasn't born a Member of the Knesset and don't always have to be one. If I stay in the Liberal Party, our rivals will push us off the list of candidates for the next Knesset anyway, so staying in the Liberal Party does not guarantee us anything."

Labour has been openly hoping for Moda'i to bolt the Liberals, which may cause other Liberal MKs like Yitzhak Berman and Dror Zeigerman, to leave as well. Labour is hoping that the latter two would enter Shinui, which would then with the Moda'i five join an Alignment-led coalition.

DOCTORS

(Continued from Page One)

that would have resulted if the cabinet had been forced to choose between Aridor and Shostak, the matter was the subject of an angry debate at yesterday's meeting. It was nonetheless decided that if the talks produced no results by the end of the week, Prime Minister Menachem Begin would convene a special cabinet session.

Labour and Social Affairs Minister Aharon Uzan criticized Shostak's failure to issue back-to-work orders to reopen the Kupat Holim clinics, and warned that if the health minister would not take such a step, he (Uzan), would seek cabinet approval to do so.

Liberals to waive candidate in Haifa city election

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — The local branch of the Liberal Party will waive its right under the Likud agreement to nominate a candidate for mayor following yesterday's withdrawal of Uriel Lynn, the director-general of the Energy Ministry, as their nominee.

Lynn explained his withdrawal on legal grounds. But sources said he gave up because the party could not guarantee him a safe seat on the Likud's Knesset list if he failed to be elected mayor.

The Liberal Party's first nominee, Haifa lawyer Yeshayahu Venderov, withdrew several months ago because the Liberals could not get Likud backing for his candidacy.

The Jerusalem Post has learned that the Liberals informed the

Herut branch that they would approve and back any reasonable candidate Herut proposed.

That candidate is likely to be Tat-Aluf (Res.) Shabtai Levy, the former deputy commander of the Navy and currently director of the shipping and harbour division of the Transport Ministry. Levy, a Sephardi, may attract Sephardi voters, a help in the struggle against the Labour incumbent Arie Gurel.

Lynn's insistence on a guarantee for a Knesset seat had little chance because he is identified with the Liberal faction of energy minister Yitzhak Moda'i which is now at loggerheads with the party's main stream.

The local Labour branch is delighted by the Likud frustrations, which contrast with their own stability in fielding Gurel for a second term.

LAVI

(Continued from Page One)

ahead of the entire world, citing Israeli air performance in the Lebanon war. "We have the knowledge, and we have the skilled manpower. And if we lack certain trained personnel, we can hire engineers from abroad," said Arens. He believes Israel could develop

the prototype "cheaper than the U.S. for Israel has in nearly all fields manpower possessing the same skills as the Americans."

What raises development costs in the U.S., he said, is the enormous amount of red tape involved there.

Each Lavi may cost about \$6m., which means Israel must build about 200 of the planes. The overall cost of each plane produced in Israel is higher than that of a similar one produced in America, Arens noted, where planes are "manufactured in series of two thousand."

Israel has already received U.S. approval to buy an advanced model of the Pratt and Whitney engine used in the F-16.

Knesset Economic Committee chairman Gad Ya'acobi, who introduced Arens, said the Lavi is "not a matter for political discussion, but a bi-partisan issue above politics. It should have enormous spin-off effects in other industries, as have other major technological developments in Israel sponsored by the defence forces."



Striking hired Egged drivers block Derech Petah Tikva in Tel Aviv yesterday in a demonstration for higher pay while negotiations with management were taking place in Haifa. (Israel Sun)

Buses sabotaged as Egged strike continues

Jerusalem Post Reporter

TEL AVIV. — Fifteen Egged buses, parked in Beersheba and two other northern Negev towns were sabotaged over the weekend by persons who knew "exactly what to do," according to Egged spokesman Gideon Talmor. The sabotage was attributed to the on-going work dispute between the bus cooperative and its striking salaried drivers.

Talmor said that the Egged management has a good idea who the perpetrators are — because of their expertise — and that the company has filed a complaint with the police. The buses were parked near the homes of their drivers in

Beersheba, Netivot and Ofakim and their electrical systems were tampered with apparently early yesterday morning.

The Egged management met yesterday in Haifa with their striking employees in a bid to negotiate a settlement. Both sides have been taking a hard line and it is believed that the strike, which began last week, will drag on.

Claiming that management was stalling talks about their new labour contracts, the 2,000 striking bus cooperative employees yesterday demanded that management give them pay advances until a labour contract is signed. The Egged

management said it would not give any advances.

Egged bus service was running "relatively smoothly," Yitzhak Menahem, the head of Egged's traffic department insisted yesterday. He said many cooperative members with desk jobs have gone behind the wheel and some members who usually work in the garages are also driving buses.

At noon yesterday, at the central bus station here, police intervened when several hundred singing and hand-clapping Egged employees jammed the station to get on buses to Haifa, where the negotiations with management were being held.

Eitan says territory still important in modern warfare

Jerusalem Post Reporter

If the Syrians in the Yom Kippur war had pressed home their attack on the Golan Heights for another half an hour, said former chief of staff Rav-Aluf Rafael Eitan yesterday, they would have broken through the Israeli lines.

"If they had," he told medical students at Jerusalem's Hadassah Hospital, "there would have been nothing between them and Haifa to stop them."

Eitan's point was that territory not only remains an important factor in modern warfare, but is even more important than before because of the swiftness of mechanized warfare.

"If we had been attacked on the

1967 borders the way we were in 1973, we wouldn't have held," he said.

A petition protesting against Eitan's recent comparison of West Bank Arabs with "drugged roaches" was presented to him by medical students. He said in response that lawbreakers in the territories should be prosecuted under the law, including Israeli settlers.

Eitan said Syria would have constructed a military infrastructure in Lebanon as strong as the one it did on the Golan Heights, if the Lebanese war had been delayed a few months. The fortifications the Syrians had begun were overrun by Israeli troops, he said.

RECORD INFLATION

(Continued from Page One)

prices have increased by only 26.4 per cent since December.

The cost of housing rose by 15.5 per cent in April and by 37.9 per cent for the first third of the year. The cost of home maintenance rose by 23.3 per cent in April, 43.2 per cent in the first third of the year.

Food prices rose by 7.3 per cent, 30.4 per cent since January. Furniture and household appliances increased by 6.9 per cent, 29.6 per cent in the first third of the year. Education and entertainment costs rose by 9.8 per cent, 30.5 per cent in the first third of the year. Transport and postal services went up by 6.4 per cent, 25.4 per cent since December.

Miscellaneous products increased by 9.7 per cent, 39.8 per cent since the beginning of the year. April usually registers a high rate of price increases. During that month several of the fees charged for government licences are adjusted for the rest of the year. This includes local authority rates. The Treasury has said that the inclusion of the full adjustment of fees in a single month artificially pushes up the CPI.

The CBS for its part said yesterday that, even when excluding such payments from its calculations, the index would have risen by more than 12 per cent.

Nevertheless the bureau has indicated that, starting next September, it will spread the adjustments in government fees and local authority taxes over the entire year.

Along with the CPI, other price

indexes also registered a big increase. The price index of inputs in residential building, which measures the costs of construction, rose by 11.1 per cent. The price index of inputs in agriculture rose by 9 per cent, 29.1 per cent in the last four months. The wholesale price index registered a moderate increase, 6.7 per cent, 28.8 per cent in the first third of the year.

The 13.3 per cent increase in the CPI is only slightly lower than the 13.8 per cent compensation received by wage earners in their April wage packet for the inflation rate during the first three months of the year.

The CBS calculates that an average urban family of four members needed to spend IS\$34,400 for the same basket of goods and services it could purchase with some IS\$3,680 in 1980.

The Treasury has been implementing since last September a programme designed to bring down inflation to 5 per cent per month. This plan includes limiting the rate of devaluation to about 5 per cent a month and hikes in controlled price commodities at a similar rate.

As a result of this policy the rate of devaluation of the dollar has been lagging behind the rate of inflation. While the CPI has increased by some 68 per cent since September, the devaluation of the shekel against the US dollar has been about 44 per cent. In real terms there has been a 14 per cent appreciation of the shekel against the dollar.

VIGILANTES

(Continued from Page One)

say, the group was apparently organized soon after Defence Minister Moshe Arens replaced Ariel Sharon.

Apprehension that Arens would soften tough policies adopted by Sharon were confirmed recently when Arens gave direct orders changing former chief-of-staff Rav-Aluf Rafael Eitan's orders for massive collective punishment in the territories.

"They are taking the law into their own hands," said one senior police source, referring to the vigilantes. And he added that "when people start doing that, the Green Line can disappear faster than any settlement programme." Meanwhile, several MKs have been calling for the Justice Ministry to hand over to them the so-called "Karp documents," in which are listed all reported cases of

vigilantism during the past two years, and recommendations to beef up police authority in the area. The documents also concern political intervention on behalf of vigilante suspects.

MK Yossi Sarid (Alignment) has called for the papers to be given to the Knesset Foreign Affairs and Security Committee.

MK Shulamit Aloni, of the Law Committee, wants the report to be handed over to her committee. Aloni broke the story of Karp's resignation.

Justice Ministry sources admitted yesterday that if a Knesset committee asks for Karp committee documents, there may be no legal prohibitions to handing them over. The reasons for Karp's resignation, on which, until now, ministry officials have been loath to comment, would then become known.

LEBANON

(Continued from Page One)

posure of soldiers to the possibility of casualties.

Government sources say it would be healthy all round for the Syrians to be convinced of Israel's determination to hit back if hostilities break out, but at the same time there is a clear effort on the part of policy makers and spokesmen to avoid provocative rhetoric.

In Netanyahu yesterday, Israeli and Lebanese negotiators worked overtime with dictionaries and lexicons to comb out discrepancies between the English, French and Arabic versions of the accord. There is also a Hebrew version.

In case of dispute, the English and French versions are to be given preference to the Hebrew and Arabic texts.

By evening, the Israeli spokesman said with satisfaction that, as far as the negotiators were concerned, "our work is done."

Israeli chief delegate David Kimche said the talks had not really taken a long time (four and a half months) relative to other international negotiations. Of the agreement, he said, "it is the best we could get in the circumstances."

Kimche and his Lebanese counterpart Antoine Fattaleh will sign tomorrow, with either U.S. mediator Philip Habib or Morris Draper affixing his signature as witness.

Government sources in Jerusalem speak with open admiration of President Amin Jemayel's steadfastness so far in the face of Syrian pressures to disavow the agreement with Israel. The Lebanese cabinet's unanimous endorsement of the accord was warmly welcomed, and the expectation yesterday was that the majority of the Lebanese parliament would approve the agreement despite dire Syrian warnings.

In the Knesset today, members will be called upon to endorse the accord "sight unseen." Only a small number of MKs have actually read the text.

Formally, as cabinet sources noted yesterday, the agreement does not require the Knesset's endorsement. In fact, the Knesset will vote not on the accord but on a statement made in the House last week by Foreign Minister Yitzhak Shamir.

Nevertheless, there was a good deal of dissatisfaction among members over the fact that they were being kept uninformed.

One member, who has glanced at the text, the Likud's Ehud Olmert, told *The Jerusalem Post* he saw it thanks to personal connections. At the Knesset, Foreign Affairs and Defence Committee, of which he is a member, the document was read out and expounded upon by Foreign Ministry legal aide Elyakim Rubinstein — but members were not given it to read.

Olmert said that as a coalition member he would not criticize the government over this procedure. "It is not the first time," he noted wryly, that MKs were asked to vote on an issue without being given full information.

The members of the Cabinet are only slightly better off. They were shown the draft text of the agreement (including the military annex and the memorandum of understanding with the U.S.) 10 days ago, but only for perusal at the cabinet office. They could not take copies with them, and still do not have the texts in their possession.

There are, in addition, some ultra-secret documents attached to the agreement — apparently concerned with specific security arrangements — which even the ministers have not read.

Labour MK Yitzhak Rabin yesterday that Labour should abstain in the vote on the agreement with Lebanon.

"The Labour Party," he said, "is not responsible for the situation created in Lebanon and therefore should not oppose the signing of the agreement. At the same time, neither should (the party) vote for it."

The Israel Electric Corporation announces with sorrow the passing of

AVRAHAM BLOCH

one of its veteran workers, who served as managing director of the corporation from 1972-1973, and participates in the profound grief of the family.

The funeral will take place today, Monday, May 16, at 12:30 p.m. at the Kfar Samir cemetery in Haifa.

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nee Jungmann

has left us for ever.

She bequeathed her body to science.

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Liesel and Charles Gumpert, Sarasota, Fla.

Gretel Nathan, La Jolla, Ca.

On the 30th day after the passing of

Rabbi YEHUDA L. WEISS

in Toronto, Canada

there will be a tombstone unveiling on Sunday, May 22, at 11 a.m. at the Old Cemetery in Tiberias.

Aguda won't jilt gov't over Shabbat flights

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Agudat Yisrael has signalled both Labour and the Likud that it is not likely to vote against the government if Labour submits a no-confidence motion to the Knesset on the recent Sabbath flights of two Herut ministers. Such a move by Labour would be regarded as "provocative and trouble-making," Aguda faction head Avraham Shapira said yesterday.

The National Religious Party is also unlikely to vote against the government on this matter.

Labour has been considering the no-confidence motion since the recent Saturday flights of Minister without Portfolio Ariel Sharon and Communications Minister Mordechai Zupori. Both booked their flights with foreign airlines since El Al is grounded on the Sabbath.

The Labour motion, advocated chiefly by MK Uzi Baram, is based on the idea that it is possible to bring the government down on a Sabbath issue, just as the Rabin government fell in 1977, because the arrival of new jet fighters and the ceremony to welcome them continued into the Sabbath.

The idea is not universally popular in Labour. There is fear that the Alignment will just make a

laughing stock of itself by failing to bring the government down and by veering to appear the guardian of religious legislation which it opposes.

A decision on the matter could be reached today when the Alignment Knesset faction meets.

Baram has been selected to engage in preliminary vote-gathering activities. Faction Chairman Moshe Shahal believes the move could be effective.

The matter was raised at yesterday's cabinet meeting by the NRP's Education Minister Zevulun Hammer. He asked Prime Minister Menachem Begin's opinion of the ministerial flights.

Zupori and Sharon, supported by Minister without Portfolio Mordechai Ben-Porat, protested that they had booked the flights as private citizens and, as they had not travelled on an official mission, the matter should not be a political but a private one.

Begin said the government's decision to stop El Al's Saturday flights meant that ministers also should not fly on the Sabbath. Hammer said he was satisfied with this reply.

Zupori, who returned from the U.S. yesterday, was not prepared to confirm or deny that he had flown last week to New York on the Sabbath. "It is nobody's business what I do on the Sabbath," he said.

Peres to meet Navon next Monday

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Labour Party chairman Shimon Peres is due to meet former president Yitzhak Navon next Monday to discuss Navon's possible participation in Labour Party leadership forums. However, the word from Navon is that he will stay away from party politics for the time being.

Peres will meet Navon after he returns from a trip to Strasbourg, France, where he will be a guest of the European Parliament. Peres will leave tomorrow and return at the end of the week.

Sources close to Navon said yesterday that Navon will not enter the political fray until after a cool-

ing off period following his departure from the presidency. Navon, it is stressed, is not willing to risk his personal prestige by getting involved in the daily political wranglings of the Labour Party.

Sources in Labour said they fear Navon may be peeved by Peres' declaration on Kol Yisrael that he will not make way for Navon and yield the party leadership to him.

Sources close to Peres said yesterday that the Peres-Navon meeting next week will "not be anything dramatic — just a meeting between two old friends to exchange views on Labour Party affairs." Peres will try to see whether Navon is interested in joining any Labour leadership circles.

Eban succeeds Herzog in Labour group

Labour MK Abba Eban has agreed to assume the leadership of Kadima, a group of Labour Party members and sympathizers from English-speaking countries. The group was established two years ago by President Chaim Herzog, who on his selection to the presidency relinquished all party affiliations.

The English language, Eban told the delegation of Kadima leaders who offered him the post, "is the most powerful cultural instrument in the history of mankind."

In Israel it is the key to the nation's scientific progress, as well as

the unifying link among the majority of Jews in the world. Israelis who have this asset at their command should see themselves as charged with a special capacity for public service."

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the unifying link among the majority of Jews in the world. Israelis who have this asset at their command should see themselves as charged with a special capacity for public service."

Burg's 'no summer time' policy harms health, says expert

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — "The failure to introduce daylight saving time (summer time) causes harm to the nation's health, the head of the Technion's diagnostics sleep laboratory, Professor Peretz Lavie, told The Jerusalem Post yesterday.

He considered it "most important" to adapt sleep and waking habits to the length of day and night. In summer the sun rises as early as 5 a.m., and as most Israelis

keep their shutters open for ventilation, the light and heat wakes them nearly two hours before they need to get up, he said.

On the other hand, they go to bed as usual, after television closes down, "so most suffer a one to two hour sleep lag every day," he stated.

The loss of sleep raises tensions, causes headaches and makes people more prone to accidents. If summer time were introduced, they would go to bed earlier and wake up when they need to, putting their sleep

balance on even keel, noted Lavie.

Referring to the statement by Interior Minister Yosef Burg on television last year, when he was explaining his decision not to put the clock forward by quoting a study in his possession which showed summer time to be bad for health, Lavie said: "I know personally every researcher in this field and none of them has made such a report." Nor had Burg yet produced it to be checked, he added.

As a member of the executive

committee of the American Sleep Research Society, the professor was conversant with all sleep research "and not one has indicated health damage."

But if Burg had information the experts lacked, Lavie said, the minister should protect his cabinet colleagues by not allowing them to go abroad in summer, as there they have to put their watches forward to bring them in line with summer time abroad "and thus expose themselves to health hazards."



Prof. Avrom Saltman, co-winner of this year's Israel Prize in history with Prof. Shaul Friedlander, takes his turn at the routine security check of bags yesterday at an entrance to Bar-Ilan University in Ramat Gan.

Disguised police catch suspected pickpockets

TEL AVIV (Itim). — Three suspected pickpockets were arrested in Ramle during the recent Nebi Saleh festival by Tel Aviv detectives wearing various disguises, including the clothing of a sheikh.

The detectives, members of a special anti-pickpocket squad, were sent to Ramle in anticipation of the large crowds of worshippers expected from all over the country.

Detective Avraham Sudai, strolling through the crowd in the robes

of a sheikh, felt his wallet being lifted just as two youths pushed against him. Showing his detective's badge, he grabbed the suspects and tried to arrest them, but they began to yell for help, causing bystanders to attack the detective.

Other disguised detectives came to Sudai's aid and the suspects were taken into custody.

A third suspect was caught allegedly taking a worshipper's wallet. The three suspects, all in their late 20s, are Gaza residents.

Arab-Jewish centre marks 20th anniversary

HAIFA. — The Arab-Jewish community centre, Beit Hagefen, marked its 20th anniversary yesterday. The centre's 6,000 members, 60 per cent of them Arabs, participate in hobby classes, folk dancing,

language lessons and social gatherings, often in each other's homes. The centre also runs Israel's only professional Arab language theatre whose performances, 400 last year, are taken around the country.

400 Jewish graves said under road to Jericho

By HAIM SHAPIRO
Jerusalem Post Reporter

Some 400 Jewish graves still lie buried under the road and sidewalk along the main highway to Jericho on the Mount of Olives, Jerusalem burial society officials said on a press tour yesterday.

At least 16 graves are being uncovered in excavations undertaken by the society on the road itself. Others are clearly visible in aerial photographs taken in 1939 and again in 1951.

Amram Haroush, director of the Council of Jewish Cemeteries in Jerusalem, said that it has taken eight years of arguing with the municipality and the police, whose southern district headquarters are opposite the site, to allow the digging. The first grave was uncovered, he said, when a water pipeline was being laid to Ma'ale Adumim, the new settlement outside Jerusalem.

Among the newly discovered

graves are believed to be four of Irgun fighters. Rafael Saban, a former member of the underground movement who keeps contact with families of Irgun fighters who were killed, said that many of the families did not know where the graves of their relatives were. Inquiries revealed that the burial places lay in an area which had been paved by the Jordanians.

Also participating in the tour was Daud Switan, an Arab employee of the burial society, whose father, grandfather and great-grandfather had been employed in the Mount of Olives cemetery. The graves in the covered area, near the edge of the road, he said, date from late Turkish times up to 1948.

In accordance with halacha, the bones are left where they are found and covered over. Later, when all the graves are exposed, it will be possible to ascertain who is buried in which plot, Haroush said.

Ex-Yamit man admits forging claims

TEL AVIV (Itim). — An ex-resident of Yamit, the Sinai town evacuated last year under terms of the peace treaty with Egypt, pleaded guilty yesterday to charges of receiving 157,120,000 in compensation under false pretences.

Tuvia Hoffman is to be sentenced in November after court hearings in the case of his wife, Sara, who pleaded not guilty to the same charges.

The indictment said that anyone residing in Yamit on September 30,

1978, was entitled to compensation. The Hoffmans moved to Yamit in August 1979. The accused, said the prosecution, forged housing contracts and their identity cards and received 151.2 million from the government.

The accused told Magistrates Court Judge Avigdor Salton that he admits the charges of forgery, but that he moved to Yamit in January 1979, not in August. In addition, the accused said he received only 157,120,000.

Director of Israel Aircraft Industries resigns

Post Defence Correspondent

Meir Dvir has resigned as director-general of the Israel Aircraft Industries. In a letter submitted to the chairman of the board, the Israel Sacharov, Dvir said he was resigning for personal reasons.

Officials at IAI refused to elaborate yesterday, offering no explanation as to why Dvir resigned.

The IAI has been shifting management since September, when Israel Gidior resigned under pressure from then defence minister Ariel Sharon. Aluf David Ivi, the former OC Air Force, who replaced Gidior, was called back into military service as deputy chief of staff last month. Dvir served as a senior director under both Gidior and Ivi.

HU chemists identify with jailed refusenik

Scientists and other workers at the Hebrew University's chemistry departments yesterday held a short meeting to identify with Prof. Yuri Ternapolsky, a Jewish chemist who is in jail in the Soviet Union, charged with "anti-Soviet in-

citement."

Ternapolsky was fired from his job in 1979 after he applied for an exit visa from the Soviet Union.

After his visa application was turned down last October, he held a five-week hunger strike. (Itim).

Rape centre data challenge myth of rapist as pervert

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — Your neighbour, plumber, taxi driver, friend or husband may be a rapist, the managers of the Tel Aviv Rape Crisis Centre told reporters yesterday, challenging the myth that a rapist is a maniac or sexual pervert.

Esther Eilam, one of the centre's founders, said some 90 per cent of the rapists are normal men, more than 50 per cent of the rapes reported are committed by someone known by the victims, and 70 per cent of the rapes were planned in advance. It is estimated that only about 10 per cent of rapes are reported.

The myths that a rapist is a pervert, overcome with irresistible sexual desire, that the rape victim acted provocatively or in some way brought the rape upon herself and that one cannot rape a

woman if she opposes it, distort the establishment's attitude towards rape victims, Eilam said. The police, health services and courts tend to treat rape victims as the guilty party and ignore the psychological and social aspects of rape and the immediate needs of its victims.

The rape crisis centre was founded by volunteers three years ago. It has responded to 786 requests for help and information, 295 of them from victims of sexual assault.

Centre volunteers, who operate a 24-hour-a-day hot line, provide rape victims with immediate mental support and long-range group therapy and accompany them to police interrogations, medical examinations and court hearings. In response to the centre's urgings the police now have a female officer question women who report rape. Rape victims are no longer sent — alone — to the pathological institute for examination but are taken to hospital,

and doctors have been instructed in the kind of treatment required by rape victims, centre coordinator Rina Ben-Zvi said. Another improvement is the amendment introduced last year specifying that a rape victim's testimony is enough to convict a rapist. Previously many rapists were acquitted, even if the court believed the victim, because supporting evidence, such as bruises, torn clothes or physical

damage, were necessary to convict them.

The centre subsists mainly on contributions by donors in Israel and by feminist organizations abroad, said Joanne Yaron, also a centre activist. The Health and Welfare Ministries and the Tel Aviv municipality, which promised the centre financial support, have in most cases, not come up with the promised funds, it was learned.

Judge overturns order to free rape suspects

HAIFA (Itim). — Three men suspected of a gang rape, who had been freed on bail by Haifa Magistrates Court, yesterday were ordered back into custody for 10 days after police appealed against the magistrate's decision in Haifa District Court.

The three, Kamal Tawfik Maha, 19, and Antine Salim Kassis, 24, both students, and Michel Nissim Kassis, 23, a youth leader, were ar-

rested by police on suspicion of raping a tourist from Norway in their flat in Rehov Akiva.

Police asked Haifa Magistrate's Court judge Kamal Hir to remand them into custody for seven days. But after hearing from the suspects' attorney that they had no criminal record, Hir decided to release them on 1510,000 bond each.

The judge said this would not hamper the police investigation, and their alleged offence was not sufficiently serious to justify extending their period in custody.

District Court Judge E.D. Bar, after hearing the police appeal, reversed the lower court decision. The police representative said that a gang rape was one of the most serious of sexual offences. The judge said that the police appeared to have "very serious" evidence against the suspects.

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Grenade kills man in Tira gang dispute

KFAR TIRA (Itim). — One man was killed and four others were wounded when a grenade was hurled into a coffee-house in the village of Tira, near Kfar Sava, on Saturday night.

The man killed, Ahsan Daud Hizkiya, 22, and those wounded, are known to the police. The police arrested a number of suspects.

The preliminary investigation, conducted by Rav-Pakad (superintendent) Moshe Rodrig, of the Kfar Sava police force, revealed that the grenade was thrown from a hide-out adjacent to the coffee-shop. It appears that there was a dispute between rival gangs of drug dealers in the village.

State rejects demand to thin out gazelles

The Nature Reserves Authority and the Agriculture Ministry yesterday, in a deposition to the High Court of Justice, rejected the demand of four settlements near Lake Kinneret to thin out the gazelle population in their area.

But the two bodies agreed to give the settlements a 15-kilometre-long electrified fence to keep the gazelles off their lands and to issue restricted hunting permits.

The four settlements, Kibbutzim Ein Gev, Tel Kazzir and Haon, and moshav Ramot asked the court to take steps to lessen the damage to crops caused by the gazelles.

Deputy director-general of the authority, Dan Peri, in the deposition said the gazelle is a "protected wild animal" and it is the job mainly of the farmers to prevent damage to their crops.

The settlements, said Peri, expect the authority to take the measures necessary to minimize damage. (Itim).

Guns, cash stolen from Solel Boneh building

Three Uzi submachine guns and 1580,000 in cash were stolen over Shabbat from the Solel Boneh building on Rehov King George in Jerusalem by thieves who entered through the back door after smashing the lock.

Police say the building is un-

guarded.

In the basement, the thieves cut into a safe holding the money. They opened the safe containing the Uzis when they found the keys hanging alongside.

Police are investigating. (Itim).

SCHOLARSHIPS. — Five hundred demobilized soldiers were awarded scholarships for higher education last week from the Eisner Foundation.



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THE INSIDE TRACK

A perceptive guide to shopping and services in Jerusalem

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THE INSIDE TRACK

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U.S.-Soviet missile talks resume in Geneva Tuesday

GENEVA (AP). — U.S. negotiator Paul Nitze arrived here yesterday for a fresh round of European missile talks, and said the Soviets were still imposing "unacceptable conditions" on an agreement.

But he reaffirmed the U.S. "commitment to a positive outcome" of the intermediate nuclear forces negotiations resuming tomorrow and said that President Ronald Reagan's new proposal for an interim solution provides the opportunity and the dynamics needed for progress.

His Soviet opposite number, Yuri Kvisinsky, who arrived on Saturday, renewed Moscow's rejection of the Reagan proposal, saying it did not mean any positive change in the U.S. position.

Kvisinsky, who accused the U.S. of blocking progress at the talks, in

turn said that the latest "far-reaching" Soviet offer provided the basis of breaking the impasse in the 18-month old talks.

Under the U.S.-proposed interim solution, Washington would reduce the deployment of 572 missiles slated to begin in December if the Soviets agree to reduce their corresponding warheads to an equal level.

The Soviets, who now have 351 three-warhead SS-20 missiles, according to NATO sources, offered to count warheads as well as missiles in any agreement. But they insist that the Western ceiling must include French and British missiles.

In his arrival statement, Nitze made no reference to the offer, but when asked whether he was prepared to discuss it with an open mind, he replied, "Indeed."

Nazi souvenir dealer jailed in diaries fraud

HAMBURG (AP). — The Nazi regalia dealer who peddled the fake Hitler diaries to *Stern* magazine was jailed yesterday for suspicion of fraud, authorities said.

Peter Beck, spokesman for the Hamburg state prosecutor, confirmed that Konrad Kujau was in investigative custody and being questioned.

Kujau, 44, surrendered on Saturday and was picked up at the Austrian border, Beck said.

Kujau, who used the alias Konrad Fischer, had dropped out of sight two weeks ago after the Federal Archives exposed the so-called secret diaries of Adolf Hitler as "obvious fakes."

In a four-page statement released by his lawyer to the media, Kujau denied allegations that he forged the diaries himself. Kujau claimed he was unable to read or write the

old German script in which the 62 volumes were penned.

Investigative custody can last up to three months without charges being filed. Beck was unable to say how long Kujau would be held or when he would appear before a judge. "There is no bail," Beck added.

Beck said no one else has been taken into custody in the case and that no other warrants are outstanding.

"Kujau has not given us a formal statement yet," Beck said. Beck was unable to shed light on the mysterious "Mr. Mirdorf," who Kujau told reporters he got the diaries from East Germany.

Gerd Heidemann, the star reporter who obtained the diaries for *Stern* and has since been fired and accused of fraud, has said Kujau was the middleman in the deal.

Etna scientists weigh lava control measures

CATANIA (AP). — Scientists yesterday studied ways to improve lava flow into an artificial canal on Sicily's Mount Etna amid debate about whether the project was a success and worth the effort.

Stefano Scammacca, the vice-prefect of Catania and one of the project coordinators, said the problem is that Saturday morning's blast did not completely eliminate the dam between the natural lava stream and the new canal.

Thus only a small portion of the lava was diverted and the main stream continued its month-and-a-half-long advance down the southeastern slope of Europe's most active volcano.

Scammacca said scientists were on the mountain yesterday studying the possibility of using bulldozers to

block the main stream and force more lava into the canal. But no work was possible because the lava had spilled over the road leading to the work site and because the winds were too stiff.

Asked how he would rate the project, Scammacca said, "It all depends on what you mean by success."

"We did what we set out to do: divert the lava," the weary official said in an interview with the Associated Press. "There were problems and there still are, but for us it was a complete success."

Others were not so sure.

"Etna has won," said the local newspaper, *La Sicilia*. And Italy's leading daily, *Corriere della Sera*, said in a front-page headline: *The Volcano is Still Not Tamed*.

Bonn proposes regular East-West German summits

BONN (Reuters). — West Germany's minister for inter-German relations, in an unexpectedly conciliatory statement, yesterday raised the prospect of regular East-West German summits.

Heinrich Windelen was speaking in an interview with the Deutschlandfunk radio station three weeks after East German leader Erich Honecker called off a planned visit to Bonn this year following angry exchanges over the deaths of two West Germans under East German police questioning.

Windelen also suggested for the

first time that Bonn was prepared to reach a *modus vivendi* with East Berlin over a key East German demand for a revision of the inter-German border on the Elbe River.

The minister said he believed East Germany's Communist rulers were increasingly prepared to seek practical agreements with Bonn wherever possible.

His remarks underlined Bonn's determination not to allow a deterioration in inter-German ties following the calling off of the Honecker visit.

Turkey can do without West if necessary, president says

ANKARA (Reuters). — Turkish President Kenan Evren said yesterday that Turkey could do without the western world if it continued to try to make life difficult for his country.

Speaking in the northwestern province of Tekirdag, Evren accused western powers of "Byzantine intrigues" to expel Turkey from the Council of Europe, impose restrictions on Turkish exports to Europe and file complaints against its human rights record.

Turkey's NATO and European allies have at times expressed concern at the military nature of the Turkish government and its tough measures to stamp out political violence.

"Turkey has experienced such activities throughout its history. We

have existed without the western world before and will continue to exist with or without them," Evren added.

The president, who took power in the 1980 military coup, is touring the country to explain new laws on elections and political parties. The laws are expected to be ratified soon in advance of elections promised for November 6.

He told the meeting the laws would outlaw fascist, communist, theocratic, and national socialist parties. Such parties were contrary to the structure and character of the Turkish people, he added.

HAITI — Voters in most of Haiti went to the polls yesterday in the second round of the Caribbean nation's first municipal elections in 26 years.

Pakistani FM starts overseas tour

ISLAMABAD (AP). — Pakistani Foreign Minister Sahabzada Yaqub Khan left yesterday to visit capitals of six nations to seek support for a negotiated settlement to the Afghanistan problem.

His first stop is Peking where he will hold two days of talks with his Chinese counterpart Wu Xuequan. He said he will brief the Chinese foreign minister on "the progress of the indirect talks at Geneva on the Afghan issue and also its future possibility."

The talks, between Pakistan and Afghanistan, started in Geneva in June 1982. The second round of talks took place last April. The third round is scheduled to open in Geneva on June 16.

"Substantial progress has been made at the Geneva talks in working out a satisfactory draft on Afghanistan, but several important hurdles remain to be crossed," he said.

Germans freed by Libya arrive home

FRANKFURT (Reuters). — Eight West German businessmen freed by Libya in the second prisoner swap between the two countries in a week were reunited with their families here yesterday.

The businessmen, who had been accused of spying for the U.S. Central Intelligence Agency (CIA), were on board a Libyan Arab Airlines flight to Frankfurt, which was due to take two Libyans freed by Bonn back to Tripoli later yesterday.

The two Libyans were on trial in Bonn on charges of torturing dissident fellow countrymen.

Bonn, last Sunday deported a Libyan sentenced to life imprisonment for murdering a former Libyan diplomat in exchange for the release of four West Germans serving long terms in Libyan jails.

Watergate pair denied pardons

WASHINGTON (Reuters). — President Ronald Reagan has denied pardons to Jeb Stuart McGruder and E. Howard Hunt, two leading figures in the Watergate break-in case, the Justice Department announced on Saturday.

The President turned down their applications after deciding to pardon Eugenio Martinez, 60, also convicted for involvement in the 1972 break-in at Democratic Party headquarters in Washington's Watergate complex.

McGruder, 48, and Hunt, 64, are out on parole after serving part of their prison sentences. McGruder was convicted of obstruction of justice and Martinez and Hunt for burglary, conspiracy and wiretapping.

A Justice Department official said Martinez was pardoned because of his low level of culpability. The other applications were turned down because McGruder and Hunt bore a greater responsibility in the affair.

160-year-old Egyptian seeking third bride

CAIRO (AP). — A 160-year-old Egyptian with six sons, a daughter and 88 grandchildren is seeking a bride that can accept him as a husband according to a report published yesterday in the *Al-Ahram* newspaper.

The man, identified as Ibrahim Koumy, lives in Aseen village, near the Suez Canal city of Ismailia and enjoys good health, it added.

The paper, which described Koumy as the oldest living man on earth, said he had only one wish left — to find a bride who will marry him despite the opposition of his children and grandchildren.

Koumy was quoted as saying that he had married twice, the first time in 1848 and the second was in 1902.

Koumy still works. His current job is looking after his neighbour's sheep.

He said he was one of the workers who helped build the Suez Canal in 1859-69.

Soviet carrier passes through Bosphorus

ISTANBUL (AP). — The newly built Soviet aircraft carrier Novorossiysk passed through the Bosphorus early yesterday from the land-locked Black Sea toward the Aegean, port sources here said.

The Novorossiysk, accompanied by Kashin and Kotlin class destroyers, is the third carrier of the Kiev class to pass through the straits in seven years.

Sports

Reds are ready

Post Sports Staff

TEL AVIV. — The winners of the English League, Liverpool, who are to play an Israel National team this afternoon at the Ramat Gan Stadium at 5 p.m., arrived at Ben-Gurion airport early yesterday morning, almost straight from their last league match on Saturday. All the famous "Reds" have come, but manager Ian Paisley will only name his squad for the match after Mark Lawrenson and Ian Rush have had fitness tests. The players said on arrival that they are very tired after a long, hard season, but that they are determined to play their best, so as "to do English football proud."

National coach Yosef Mironovich has named a squad of 20 players, from whom he will select his team. These players are: goalkeepers — Gavriel, Alter, Marcus; defence — Gad Machness, Kish, Avi Cohen, Bar, Paredon, Pizant, Yankov Cohen; midfield — Mamilian, Sinal, Eckhaus, Turk, Nissim Cohen, Lamon; strikers — Oded Machness, Landon, Tabak, Arad.

The last time Liverpool were here, they drew 3-3 with an Israeli side. Today's game will be preceded by a ceremony at which the *Yediot Achronot* Footballer of the Year will be named.

Frail records

VIENNA (Reuters). — Anisoara Cusmir of Rumania set a women's long jump world record of 7.21m. (23.65 feet) at a triangular international between the Soviet Union, Bulgaria and Rumania in Bucharest yesterday, the *Sports Daily* said. The previous record of 7.20 metres was held by Vali Ionescu, also of Rumania.

In Modesto, California, Carl Lewis of the U.S. ran the second fastest 100m, in history on Saturday night at an invitation track and field meeting here. His time of 9.96 seconds was 0.01 second off the world record which fellow-American Jim Hines set at the 1968 Olympics in Mexico City.

Lewis, 21, said he was happy with his time but added he would like to better it some time this year.

Four other Americans recorded 1983 world bests. Edwin Moses, in his first race since September 1981, won the 400m hurdles in 49.02 seconds. He has now won 73 consecutive races, with his last defeat in the event back in August 1977.

The other 1983 bests were set by Larry Myricks, who won the 200 metres in 20.34 seconds, former world record holder Max Wilkins, who took the discus with a throw of 71.3m, and Kevin Alkin, who won the shotput with a toss of 21.5m. Myricks was the outstanding athlete at the recent *Metropolitan Games* where he won the 100m, the 200m, and the long jump.

In the women's competition, Evelyn Ashford of the U.S. won the 100m, in a wind-aided time of 10.85 seconds. The world record is 10.80, established by East Germany's Marlies Gohr in 1977.

In Paris, the eighth Paris marathon on Saturday was won by Jacky Boncheron (France) in 2 hours 12 mins 38 secs.

In Frankfurt, Ahmed Alim of Lenin won the 3rd International Hektat marathon in 2:12:41 on Sunday.

Noah floating high

HAMBURG (AP). — Yannick Noah of France won the last 11 games to defeat defending champion Jose Higueras of Spain 3-6, 7-5, 6-2, 6-0 yesterday to win the \$250,000 German Open Tennis Championships.

"Physically I am very strong. I can keep the ball in play from the baseline and as soon as I can, come in and play my own game, which is playing at the net. And that is usually hard to do on clay," said Noah.

"If he continues like this, he will have a good chance at the French," said the fourth-seeded Higueras, 30, who was champion in 1979.

76ers pile it on

MILWAUKEE (AP). — Julius Erving poured in 18 of his 26 points in the second half and Moses Malone added 25, leading Philadelphia to a 104-96 victory over the Milwaukee Bucks on Saturday as the 76ers took a 3-0 lead in the National Basketball Association Eastern Conference best-of-seven playoff finals. Malone scored five of his points in the final two minutes.

Gooch rampant

LONDON (Reuters). — Banned England opener Graham Gooch lifted Essex to a 53-run victory in the Benson and Hedges Cricket Cup on Saturday. He lashed 59 with nine fours and a six before a magnificent catch by Brian Rose in the covers deprived him of a century.

Essex reached 225 for eight from their 55 overs and Somerset, with Richards making 65 and Bortham one, mustered only 172 in reply.

Elsewhere, Middlesex beat Kent by five wickets with 20 balls to spare and Glamorgan, inspired by an innings of 95 from Pakistan's Iqbal Aslam, crushed the Combined Universities by 166.

Oilers capped

UNIONDALE, New York (AP). — Bob Bourne and Ken Morrow scored third-period goals 70 seconds apart Saturday night, lifting the New York Islanders to the threshold of their fourth consecutive Stanley Cup with a 5-1 victory over the Edmonton Oilers.

The Islanders now lead the series 3-0. Bourne, the Islanders' all-time leading scorer, has put a mediocre regular season behind him with a scintillating playoff performance. He leads the Islanders in postseason scoring with eight goals and 27 points.

British approve deep-freezing human embryos

LONDON (AP). — The British Medical Association (BMA) approved deep-freeze storage and experimental cultivation of human embryos in ethical guidelines published on Saturday in the *British Medical Journal*.

The 52,000-member BMA, representing two-thirds of the country's doctors, said in a report that freezing or otherwise storing embryos is acceptable providing the embryos aren't harmed and will be disposed of in accordance with the donors' wishes within a year.

Observations of embryos should be allowed, it said, in order to ensure that the effectiveness of test-

tube fertilization and embryo replacement and transfer is maximized and the risks minimized. By storing an embryo, doctors could pick the best time to implant it in the would-be mother's womb, improving her chances of becoming pregnant, now rated at only 20 percent, the BMA said.

According to Britain's *Nature* magazine, a frozen and thawed embryo has already been successfully implanted in an Australian woman. It was reportedly slightly damaged in thawing, but doctors said the baby would develop normally.

The BMA asserted: "It is ethically acceptable (to combine) the sperm and ova of the couple concerned with subsequent replacement (of the embryo) in the uterus of the woman of the couple." The use of sperm or eggs or both from donors other than the couple is deemed acceptable if one or both partners are sterile or have a transmittable genetic defect and if all concerned parties consent, the BMA said.

It did not sanction "surrogate motherhood," the implantation of the embryo in the uterus of a second woman who would hand the baby over to the couple after giving birth.

Earthquakes shake Ionian Islands

ATHENS (AP). — Two extremely strong earthquakes, measuring 5.6 and 5.3 on the Richter scale, shook the Ionian Islands off western Greece early yesterday, but no casualties or damage was reported, the Athens Seismological Institute said.

The institute said the quakes had their epicentre in the Ionian seabed 300 kilometres southwest of Athens, near the island of Cephalonia.

Meanwhile, a mild earthquake shook parts of Illinois, Missouri and Indiana in the U.S. early yesterday but apparently caused no damage or injuries.



Syrian artillery in eastern Lebanon during war with Israel last year; President Hafez al-Assad.

Assad: Odd Man Out?

Syrian Strategy Opens a New Phase in Inter-Arab Struggle

By THOMAS L. FRIEDMAN

CALL it what you will — an expanded armistice agreement, a technical security arrangement or a virtual peace treaty — the Lebanon-Israel withdrawal accord has one meaning that no one will dispute. Egypt is no longer alone; a second Arab state is withdrawing from the confrontation with Israel.

When and if the withdrawal agreement is fully implemented, it could set off many of the same political tremors that Camp David did in 1979. As Israel and Lebanon prepared to sign their accord, the strategists of Arab politics were busy mapping out their moves and the general public seemed to be bracing itself for new violence. Beirut was so jittery last week that the sudden departure of 110 dependents of Soviet diplomats was enough to briefly depress the Lebanese pound and prompt a mini-exodus of Lebanese to Cyprus.

"It is all really very new for everyone," said a Beirut columnist. "They don't know what to expect. All they know is that a second Arab state is outside the conflict. This means the Arab world's two great intellectual centers — Cairo and Beirut — have entered into a new relationship with Israel. There must be a logic to it."

If there is a logic to the events, however, it appears to have eluded Syrian President Hafez al-Assad. The Syrian leader informed Lebanon's Foreign Minister Elie Salem last week that the final draft of the withdrawal agreement was totally unacceptable.

Thus began the first round of the inter-Arab struggle over the accord. Lebanese President Amin Gemayel and Mr. Assad are now locked in a no-holds-barred competition for the hearts and minds of the Arab world. The stakes are clear — who gets to don the cloak of Arab legitimacy on the Lebanon deal. Will it be Syria, which claims that the agreement is a violation of Lebanese sovereignty and constitutes a settlement with Israel outside the Arab League peace plan, or Lebanon, which insists that the withdrawal accord is really only an expanded version of the 1949 armistice agreement?

For now, both sides are treating the other in gentlemanly fashion. The Syrians continue to express their un-

dying respect for President Gemayel, while the Lebanese absorb each Syrian blow against the accord and insist that this is not the final word from Damascus. The Lebanese Cabinet, which formally approved the agreement yesterday, is desperately trying to avoid an open breach that would make Syrian troop withdrawal from Lebanon, on which an Israeli pullout is conditional, an impossibility.

Privately, however, many senior Lebanese officials express deep loathing for the Syrians, who, they say, have been trampling on Lebanese sovereignty for eight years but are now trying to cast themselves as Beirut's white knight, chivalrously protecting Lebanon's "integrity" from the Israelis. Both countries have been sending emissaries around the Arab world to enlist support, particularly from Saudi Arabia's King Fahd, who has the real power to legitimize the position of either country. But the King, who clearly has some reservations about the Ameri-

can-sponsored agreement, has apparently decided to stay neutral, leaving the field open for an eventual free-for-all.

Syria is reluctant to give up its foothold in Lebanon's Bekaa and northern districts because of their crucial political and military value. Syria's troops in the Bekaa protect Damascus against an Israeli "left hook" around the Golan Heights; they insure that at least part of Lebanon remains in its historical Syrian orbit and they force the Israelis to pin down a large number of men in a quagmire that produces mounting casualties. No one knows better than Damascus just how deep and unpleasant is the Lebanese quagmire.

Moreover, Syria's nuisance value in Arab politics, which has made it unwise to ignore Damascus in any American-sponsored peace initiative, has always depended on its ability to heat up the situation in Lebanon and to control the Palestine Liberation Organization guerrillas based there. That is not a role the Syrians will easily relinquish.

"All the money Syria shakes down the other Arabs for is based on the fact that it is confronting Israel or keeping the peace in Lebanon," said a Middle East expert teaching in Beirut. "If the Syrians allow the Bekaa front to be sealed up, how can they ask the other Arabs for money?" Already, Damascus is trying to forge an anti-agreement "Lebanese National Front" of politicians in Syrian-controlled sections of Lebanon.

It is not easy for Lebanese politicians, especially Moslems, who have traditionally looked to Damascus for guidance, to ignore Syria. The Lebanese Moslem leadership was hoping for clear-cut Saudi support on the agreement to blunt any threat from Damascus, but this has not been forthcoming so they are lying low. "The Syrians are



Syria / Presidency: Contact / David S. Kennedy

strong, mean and nearby," remarked a Sunni Moslem professor. "The Saudis are weak, gentle and far away. So how can anyone stick their neck out?"

Still, the Lebanese profess to believe that with the right combination of incentives, the Syrians might eventually be induced to leave. But they acknowledge that since this could be "Syria's last tango in Lebanon," the price would be steep. The Lebanese know that they have maneuvered the Syrians into a tight corner. Damascus doesn't have the Arab backing against the Lebanese agreement that it had against Camp David. Egypt and Jordan have already said they will stand behind Beirut and are trying to persuade other Arabs to do likewise. Damascus may have to risk nearly total isolation in the Arab world. The alternative would be to try to make the best of a bad situation.

If they do decide to withdraw, the Syrians will try to get three different parties to foot the bill. Lebanese analysts believe.

From Beirut, Lebanese officials believe, the Syrians will demand a withdrawal accord that will not appear to be the result of the Israel-Lebanon agreement but will seem to stem from its own set of principles. The Syrians want to be formally recognized as Lebanon's big brother and protector and could possibly demand a defense pact with their neighbor.

From the Saudis, the Syrians will demand their usual payoff — "X" billion dollars in cash.

But the most difficult price may have to be paid by Washington. The Lebanese suggest that if Syria is to be induced to pull out of Lebanon and thus risk alienating its patrons in Moscow, it would have to get something very substantial in return. The Syrians are likely to demand a Soviet role at any negotiating table as well as American recognition of Syria's centrality in any settlement, a United States commitment to work for a return of the Golan Heights and greater American attentiveness to Syrian viewpoints, as opposed to those of Jordan.

The Lebanon-Israel withdrawal negotiations took more than four months, required a two-week shuttle by the American Secretary of State, George P. Shultz, were accompanied by a high degree of regional tension and involved countless compromises by both sides. Now the hard part begins — dealing with Syria.

Shultz Doesn't Take a Damascus No for an Answer

SYRIA last week tried its worst to wreck the Israeli-Lebanese accord on troop withdrawal and bilateral relations worked out by Secretary of State George P. Shultz. But yesterday, the Lebanese Cabinet approved the treaty and sent it to Parliament. Israel was expected to sign this week.

Strengthened by \$2 billion worth of new Soviet weapons, Syria rejected the agreement categorically. Foreign Minister Abdel Halim Khaddam contended it undermines Lebanese independence and "constitutes a grave danger to Syria's security."

Syrian broadcasters referred to the accord derisively as "Camp Shultz." Defense Secretary Caspar W. Weinberger warned the Russians and "any proxies they may have in Syria

that any aggression by them would be met by retaliatory force." He didn't say by whom. But citing the Russian-manufactured SAM-5 missiles recently installed in Syria, he said stepped-up Soviet involvement "heightens the danger of direct conflict between Syria and Israel."

"It's in the Soviet interest to play an obstructionist game," said a State Department official. "It's a scary business. They know it's a tinder box." However, American and Israeli intelligence officials reported no signs of preparation for a resumption of fighting.

Secretary Shultz, publicly confident that Damascus would eventually go along, hinted at a new round of American mediation to help negotiate withdrawal of Syria's 40,000

troops from Lebanon's Bekaa region. Syrian and Palestine Liberation Organization forces in Lebanon have been increased in recent weeks, presumably for bargaining purposes.

Israel's 25,000 troops won't leave Lebanon until they do. And if they refuse to go, Foreign Minister Yitzhak Shamir said, Israel will feel "free to act as it sees fit."

Israel's Parliament was expected to approve the accord tomorrow. In Beirut, legal experts said parliamentary approval was not necessary. Moslem deputies, fearful of retribution by Syria, hoped to avoid going on record in a vote.

"I know we have some hurdles to get over," President Reagan said, "but it wouldn't be the Middle East if we didn't."

Major News

In Summary

Reagan Tries A Little 'Give' On Missiles

President Reagan compromised with Congress last week on arms control and the MX missile program, adopting new positions that his aides hope will strengthen his negotiators in Geneva. In a move that revived at least some bipartisan support for the \$20 billion MX program in the appropriations committees, Mr. Reagan agreed to a concept known as "build down" — scrapping old warheads as new ones are added to the arsenal. (Arms control and Congress, page 4.)

But the idea won't be ready for next month's resumption of strategic weapons negotiations, much less Tuesday's session on medium-range nuclear missiles in Europe. The President rejected calls for a 2-for-1 reduction in old warheads, insisting that a mutual build down must be "implemented flexibly and with reasonable latitude for each side to balance the forces it deploys and reduces." But Administration officials suggested that such an accord could be negotiated without waiting for agreement on a new treaty.

The Administration said it planned to take new positions in both sets of Geneva talks. On medium-range missiles, Mr. Reagan has dropped his insistence on removal of all Soviet SS-20s aimed at Europe. The Administration showed interest when Yuri

V. Andropov, the Soviet leader, proposed reducing warheads rather than missiles, which may carry multiple warheads. The Russians argued that the missile in question was merely a modified model permitted by SALT.

Under new business, the United States has privately accused the Soviet Union of testing two new missiles and of encoding tests to obstruct American monitoring. The unratified

Warming Up For Williamsburg

Treasury Secretary Donald T. Regan threw a dinner in Paris last week for his opposite numbers from Washington's six biggest industrial allies, but the French, British and West Germans didn't come.

The no-shows were orchestrated by France, which blocked Washington's plan for a new international group to promote free trade. The Americans

wanted to attach the free-trade group to the annual seven-nation economic summit, but France wants these summits less structured, along the lines of the session planned for Williamsburg, Va. on Memorial Day weekend. Mr. Regan insisted his dinner party had been "a great success." Junior (and some senior) officials who attended agreed on an alternative free-trade forum, to be made up of trade and finance ministers of the 10 biggest industrial countries, plus Switzerland.

More than 100 Cabinet-level ministers were meeting in Paris to debate trade, finance and energy issues — and international economic recovery — ahead of Williamsburg. The Americans tipped around another divisive issue, soft-pedaling their demand to curb trade and loans to the Communists, particularly for Soviet oil and gas. Washington would settle for quiet agreements, William E. Brock III, the United States Trade Representative, said.

French-American coolness reappeared when President Francois Mitterrand called for a "New Bretton Woods" — a conference of world leaders to revise the existing monetary system of floating exchange rates to try to stabilize wobbly economies. "We all saw it after the second World War," President Mitterrand declared. "Everything begins with currency."

The Americans indicated they were not interested, preferring their free-market, anti-interventionist approach. On a purely national level, the Reagan Administration had something to crow about later in the week. America's industrial production leapt 2.1 percent in April, the largest increase in almost eight years, while prices at the wholesale level fell one-tenth of 1 percent, for the third decline in the first four months of the year. Back home in Hu-

Springs, Va. at a meeting of senior Government officials and businessmen, Secretary Regan said, "I think the second quarter will be very strong." Only a week ago, both Administration and private economists were predicting that April, May and June would merely match the moderate growth of 1982 so far.

Reporting favorable portents for other countries as well, the Organization for Economic Cooperation and Development said Japan, West Germany, Britain and Canada had also effectively reduced inflation, leaving unemployment as the industrial world's priority concern. Meanwhile, the International Monetary Fund said it was urging developing countries, which owe the West \$800 billion, to open their markets to foreign investments when they come up for further bail-outs. Third world defaults would have "unpleasant" worldwide effects, Mr. Regan warned. (The North-South knot, page 3.)

Bad Ink Between Moscow, Warsaw

The Polish Government found itself in an ideological squeeze last week as prodding from the Soviet Union appeared to encourage a renewed push by hard-liners at home. Faced with Moscow's sternest criticism since the imposition of martial law 17 months ago, Warsaw was forced to defend itself in the midst of heightened nervousness over the visit next month of Pope John Paul II.

The Soviet remarks, appearing in the journal Novoye Vremya, were directed at the Polish weekly Polityka but were viewed as criticism of Deputy Foreign Minister Mieczyslaw Rakowski, the last important, relatively liberal remnant of pre-martial law days and a former editor of Pol-

ityka. But they signaled that Moscow was none too happy with the regime of Wojciech Jaruzelski in general.

Responding to Kremlin charges that it was "allergic to real socialism," Polityka delivered a rebuttal that was notable not so much for its content — it accused the Soviet journal of little more than using quotes out of context — but for the fact that Warsaw had approved its publication at all. In a separate article, Government spokesman Jarek Urban rebuked domestic hard-liners who might seek to use Moscow's criticism as a lever against the Government.

Mr. Urban's comments reflected the jousting that has led to the indefinite postponement of a Central Committee meeting at which intraparty Communist differences were to be hashed out. The party's dogmatists have amplified Moscow's hints that the Government has not dealt firmly enough with the outlawed Solidarity union and its sympathizers, including those in the Catholic church.

As if to underline that point, in the midst of the Warsaw-Moscow flap and in anticipation of the pope's scheduled visit the hard-liners' newspaper, Rzeczpospolita, last week called for an "ideological offensive" against the church. It accused some forces in the church of seeking an "alternative to Marxist ideology" and said there was "no justification" for the "record number of churches" under construction.

This was just the latest in a series of recent church-state encounters, including a raid on a Warsaw convent that served as a prisoner aid center and the jailing of a Jesuit monk who was charged with collecting money to pay the fines of people charged with martial law offenses. The Warsaw episcopate had little comment on most of it, saying the church was preoccupied with arrangements for the pope's visit.

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The World

Mrs. Thatcher Decides on Early Election

In the British political system, a Prime Minister can call an election any time within the five-year parliamentary term. Last week, Margaret Thatcher, who was elected in 1979, decided the time was right to go to the country for a new majority. She dissolved Parliament and the election was set for June 9.

The kind of economic problems that have done in incumbent governments elsewhere beset Britain as well. But an unemployment rate of 12.5 percent notwithstanding, Mrs. Thatcher is riding high in the polls, thanks to her strong personality and to the jaundiced view much of the electorate takes of her major opponent, Michael Foot, leader of the Labor Party. With a 15-point lead in a

poll taken after the election was called, Mrs. Thatcher's Conservative majority in the House of Commons, currently 36 seats, could rise to as many as 50 seats.

The sharp ideological divide on economic and foreign policy between Conservatives and Labor, with the Liberal-Social Democratic Alliance in the middle, promised a bitter campaign. Mrs. Thatcher put an international tone on her bid for re-election by telling a radio interviewer that the Soviet Union would await the outcome of the vote before negotiating seriously on nuclear disarmament in Europe.

The Conservative Government is committed to deploying American Pershing 2 and cruise missiles this year if there is no agreement between Moscow and Washington on the level of medium-range missiles and warheads. Labor wants to cancel the deployment as well as the plans to upgrade Britain's independent nuclear force.

A Vote Against Power Sharing

By few definitions is South Africa, as Prime Minister P.W. Botha describes it, a "democracy." However, Mr. Botha and others who would like to add a few trappings of true popular rule suffered a setback last week.

In rural Transvaal province by-elections, the Conservative Party, a far-right group that bolted from the ruling National Party last year over a proposal to give some nonwhites a limited voice in government, won its first seat in Parliament from a predominantly Afrikaners district. The Afrikaners-dominated Nationalists had not lost such an election since coming to power 35 years ago.

The Nationalists actually achieved a one-seat expansion of their majority by winning one seat and holding on to another that the Conservatives hotly challenged. But the victory of Dr. Andries P. Treurnicht, the Conservative leader, over a Nationalist candidate was regarded as signaling a potential erosion of Mr. Botha's heretofore unassailable power.

The Conservatives split with the Nationalists over a proposal to allow South Africa's Asians and coloreds, as people of mixed race are called, to have their own separate but far from equal houses of Parliament. The plan, which would continue to bar blacks from government, would allow Asians and coloreds nowhere near the helm of South Africa's ship of state, but the Conservatives don't even want them in steerage, Mr.

Botha downplayed the significance of Dr. Treurnicht's victory, saying his Government would go ahead with its plan for limited power sharing.

Mixing Business And Displeasure

Peking's relations with the Reagan Administration remain prickly but pragmatic. Prime Minister Zhao Ziyang last week reminded visiting Americans that China hoped Washington would remove "obstacles," a code word for weapons sales to Taiwan. But political unhappiness wasn't interfering with technology and trade deals.

China signed new agreements for cooperation in nuclear physics and fusion — notably for American advice on a particle accelerator for high-energy research — and in transportation, aeronautics and biomedical science. Next week, Commerce Secretary Malcolm Baldrige goes to Peking for trade meetings.

The technology accords were in addition to 17 earlier ones covering earthquakes, prediction, environmental protection, nuclear safety, agricultural research and an exchange program that has brought 4,700 Chinese scholars to the United States and 250 Americans to China. President Reagan's science adviser, George A. Keyworth, hailed the agreements as "the most successful scientific and technical cooperation in the world, independent of our political differences." However, the United States kept the lid on advanced technology

China has sought.

Relations took a turn for the worse earlier this year when China canceled almost all cultural and sports exchanges after Washington, over the objections of Deng Xiaoping, China's senior leader, granted political asylum to Hu Na, a tennis player.

Still No Exit For Sakharov

Andrei D. Sakharov knows too much for Moscow's good. Or so officials claimed last week in denying the physicist and human rights activist a chance to emigrate.

Hope had been growing recently that Dr. Sakharov might be allowed to leave the country where he has been internally exiled since 1980, when he was ordered to leave his Moscow home for isolation in Gorky. But hours after his wife, Yelena G. Bonner, told Western reporters that the Nobel Prize winner was finally willing to leave — he had previously said his human rights work was too important to abandon — the Government press agency Tass said he knew too many "important state and military secrets" to be allowed out.

Mrs. Bonner, who said she feared for her husband's life, thought Moscow's real reasons lay elsewhere. She noted that her husband, who is generally regarded as the father of Soviet nuclear weaponry, has not had access to secret material since 1968, when his security clearance was lifted. Besides, she said, if he were inclined to reveal any secrets, he could

have done so "in Moscow many years ago" before his contacts with the West were cut off.

Spain's Socialists Come Out Ahead

Prime Minister Felipe González's right-wing opposition had insisted that last weekend's local elections would be a test of voter confidence in Spain's five-month-old Socialist Government. If so, Mr. González had little to worry about.

The Socialists won the city halls of Madrid, Valencia and Seville and came out ahead in Barcelona, where they could expect to dominate a left-wing coalition. Nationally, Mr. González's party got 43 percent of the vote, trouncing the main right-wing party, Manuel Fraga's Popular Alliance, which had 26 percent.

The Communists held their one important city, Córdoba, with the victory of Mayor Julio Anguita González, who is known as "the Red, Caliph." The Communists had ousted their veteran party leader, Santiago Carrillo, after their national showing fell beneath 4 percent in October; last week, it rose to 8 percent.

The Socialists also made gains in the rebellious Basque region, but the Basque National Party kept control of Bilbao and other key Basque cities. The Herri Batasuna party, which has been linked to E.T.A. separatist terrorists, lost ground slightly.

Milt Freudenheim, Henry Giniger and Carlyle C. Douglas

As Congress Votes on Funds, Two Experts Argue the U.S. Role

Debating Perspectives and Priorities in Central America

DEBATE about Central America has divided on two main lines: One holds that an external Marxist military threat to the region requires an American response; the other stresses endemic political, economic and social ills and the need for dialogue with forces that have taken up arms as a way of curing them. The division is sharply reflected in Congress, where last week foreign affairs committees of the House and Senate approved additional military aid but added political conditions. The Senate Foreign Relations Committee has approved \$76.3 million for this year and House Foreign Affairs has approved \$85 million. President Reagan had requested \$136 million. The more stringent conditions called for an effort by the Salvadoran Government

to start talks with the insurgents within 90 days of the legislation's enactment, unless it can show the insurgents refuse to negotiate. Bipartisan votes reflected Congressional resistance to more American military involvement in El Salvador, dissatisfaction with the performance of Salvadoran forces, and a desire for a political solution to the conflict. Last week, exponents of the two main opposing viewpoints — Wayne Smith, senior associate at the Carnegie Endowment for International Peace and former chief of the United States Interests Section in Cuba, and Bruce Weinrod, director of foreign policy and defense studies at the Heritage Foundation — discussed the developments and background with Henry Giniger, an editor of The Week in Review.

Causes of War and Directions Toward Peace Are at Issue

Question. What are the basic troubles of Central America?

Mr. Weinrod. There are really two essential problems. One is a military threat to Governments that are friendly to the United States, and in most cases democratically elected or moving in the direction of establishing democratic structures. At the same time, a second problem is economic, political and social development in all of these neighbors. The problem for the United States is to address both questions, but until such time as the security of the areas is established, very little progress can be made in economic, political or social development.

Mr. Smith. I see the situation in terms of evolutionary change. The situation is one in which the old order is crumbling and the question is which forces will fill the vacuum. I think the United States has to be responsive to the need for change, and I think it must address the situation in that context rather than as an East-West conflict, which it really is not. During this period of turmoil, U.S. objectives should be to promote solutions which minimize the implications for U.S. security, and which also come to grips with the basic ills resulting from political repression and social injustice. The Soviets and the Cubans, to be sure, will attempt to exploit the turmoil to their advantage. We must be aware of that and deny them the opportunity. But we won't succeed in that by exaggerating the external factor and failing to address the real causes. On the contrary, it seems to me we're more likely to play into their hands.

Mr. Weinrod. Not only in Central America but in numerous nations throughout the world underdevelopment has existed for decades. But we don't find conflict and turmoil of a major sort in all of these countries all of the time. So clearly there have to be other factors that explain why in a particular situation turmoil takes a certain turn to a high level of violence.

In some cases it may be purely domestic, but in the case of El Salvador I would argue that the major cause of the increased level of violence is the direct and indirect involvement of Nicaragua, Cuba and therefore the Soviet Union. The ratio of U.S. aid is, I believe, about seven-to-three in favor of economic aid at the present time. I don't see how this economic and political and social development can continue without a protective shield, as the President phrased it.

Outside Influences Discounted

Mr. Smith. I do not advocate that we stop military assistance. At this stage, it would not be proper for us simply to abandon El Salvador. But I do disagree with the proposition that the civil war in El Salvador started simply because the Nicaraguans and the Cubans started giving assistance to the guerrillas. On the contrary, the civil war got started precisely because a lot of Salvadorans, including many democratic politicians, by the end of 1979 had come to the conclusion that there was simply no means of bringing about change in that country within the existing system — the military would simply not permit it. And thus the civil war got started.

Mr. Weinrod. Certainly there's a problem of human rights violations by the right. But I think the point is that the U.S. Government is doing everything that it can to reduce that level of violence and end it. The problems are twofold: one, there is violence on the left that we have no control over. Second, as long as there is a Government in power in El Salvador, and hopefully an elected government, that is open to American influence and leverage, we have the capability to try to reduce the level of violence.

Q. Do we have leverage over the right?

Mr. Weinrod. The answer is yes. First of all, we have

more leverage over the Government. I think that's the important factor right now. Just the other day, as an example, the new Minister of Defense, Gen. Carlos Vides Casanova, made an address to the graduates of the military college, the thrust of which was that they should observe human rights. This is what we want. You should also bear in mind the reform policies that were the goal of the Oct. 15, 1979 coup by which reformist officers took over. That point was a golden opportunity for the radical left to participate. The officers did, in fact, open their arms and say, we'd like to talk, and the radical forces rejected any talks, just as they rejected participation in the election. So the radical right is not in power. There is an elected Government, and we do have leverage and we're using it.

Message to the Right?

Mr. Smith. I think the radical right remains the dominant force on the Government side in El Salvador. I disagree with Mr. Weinrod that we're doing everything we can to address the problem of violence on the right. When our Ambassador in El Salvador gave a speech late last year warning the right against repeated violations, the White House almost immediately cut the ground from under him by, in effect, disavowing the speech. And the message to the right I think was clear — they need not pay any attention to such warnings from the American Ambassador. I also disagree that the radical left simply rejected the progressive officers' call for a dialogue in late 1979. What in effect happened was that the senior military in El Salvador told, or indicated to the progressive junta, that they would not recognize its authority and they would not obey its commands. And it was at that point that democratic politicians decided that you couldn't work through the existing system — that in fact you had to confront the military.

What we are doing is not working, and I think that's demonstrable. So far we have not had the impact on the human rights situation that we should have. The military situation has deteriorated in El Salvador in the past two years. If our policies were working, one should see progress. In Nicaragua the secret war does not do what it is supposed to do, which is to interdict the arms flow. I question that that ever was, in fact, the purpose. But, if so, by the Administration's own statements concerning the increasing flows of arms from Nicaragua to El Salvador, the secret war is not working.

Q. What is the purpose of the "secret war"? Mr. Smith. I think the purpose all along has been to overthrow or to bring about a situation in which the Sandinist Government could be overthrown. Mr. Weinrod. Obviously I can't read the minds of those who initiated the policy. I think the original idea was, in fact, to establish a force which could interdict supplies. It would not have been at all of great dismay to those implementing this activity if at the same time, that force had gained a momentum of its own and through popular support within Nicaragua — which I think is happening — would have resulted in a change of the Government or forced the Government there to fulfill its original pledges to maintain a pluralist society, to maintain a mixed economy, and to hold prompt elections. None of these has it fulfilled.

Q. Everybody says he's in favor of a political solution in El Salvador. The one that the Administration is trying to bring about is free elections. Are they possible? Mr. Smith. Free elections are indeed possible. The Administration now says that it's in favor of a political solution, and it has not always said that. The Administration now says that it favors negotiations. That is a drastic change from its past position. You cannot have a solution without elections, but you cannot have elections without negotiations. How can you bring about the appropriate conditions for meaningful elections without talking to the other side? The



Anti-Sandinist guerrillas of the Nicaraguan Democratic Force operating in the department of Nuevo Segovia, Nicaragua.

Farabundo Martí Liberation Front and the Revolutionary Democratic Front to my knowledge have never rejected the idea that elections should be part of the solution. On the contrary, they have said that they accept that idea, but that they do not trust the Government as presently constituted to oversee the process. They would not participate in elections that are not preceded by negotiations. Last Oct. 14, the two fronts offered to sit down and begin a dialogue without any preconditions or prior commitments. That offer was rejected out of hand by the Administration and by the Salvadoran Government. But now we say that we are all in favor of negotiations.

The Role of Leftists, And Other Nations, In El Salvador

Mr. Weinrod. The real question is: negotiations for what? If they are for arrangements for a fair election process, for amnesty and for guarantees of security for opponents of the Government, I certainly think that's a great idea, and I'm sure that this Administration would bend over backwards in any way possible to assure this — either through its own devices or through a multilateral force of some kind or whatever mechanism could be agreed upon. The real issue is whether the distribution of power in El Salvador should be determined solely by the electoral process or should it be determined by some negotiation prior to the election and which the elections could not affect. If this is what is meant by negotiations, then the Administration, I think, quite rightly rejects such an approach.

Mr. Smith. It would have behooved the Administration to explore the possibilities. It has not been my understanding that the leftists reject elections and the kind of transitional government they seem to have in mind is one which would have as its mandate to bring about and oversee

an electoral process. So perhaps you would need some form of transitional government to do so. But it would be affected by the elections. Its mandate would be to hold elections. I think that has been possible for some time now. But the Administration has not explored those possibilities.

Mr. Weinrod. Two comments on that.

First, I think that the history of power sharing raises questions about the outcome of any agreement which would be made with truly radical Marxist-Leninist forces as part of some kind of coalition. We have evidence over decades that when hard-core Marxist-Leninists get into a coalition government, the end result is almost always that they take control and the elections are put off indefinitely. And this is something that the United States quite rightly does not want to see repeated.

Second, I think we just may have a genuine difference of interpretation as to the interest of the radical forces in the election process. My recollection is that at the time of the earlier elections, they actively sought to disrupt them and statements that have been broadcast since on some of their radio stations have rejected the elections.

Q. What about the role of governments other than that of the United States that have a direct interest in the region?

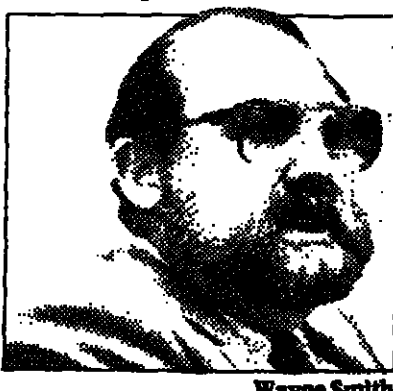
Mr. Weinrod. The policy of the United States should most certainly be to encourage regional involvement in the problems of Central America, and I think that has been and continues to be our policy, to the extent that we and the other nations in the area can work together to establish, say, a multilateral supervision of the elections and of the amnesty.

The principle of regional involvement in the issue is a good one. The question is exactly how you make it happen when different parties may perceive their interests differently at this particular stage.

Mr. Smith. I think that the other Governments of the region do have a key role to play, and it's regrettable that their offers to play a constructive role have, until now, been rebuffed.

Mexico offered over a year ago to play a constructive role, taking into account U.S. security concerns and so forth. That offer was rejected.

Venezuela has offered to play a mediating role. That also was rejected. At that point the Administration was not really interested in a negotiated solution. Perhaps the Administration has come around now to recognizing that a negotiated solution may be the only way out. That remains to be seen.



Wayne Smith



Bruce Weinrod

Some Experts Advise Nervous Lenders to Keep the Cash Flowing

What's the Bottom Line On Third World Debt?

By BERNARD D. NOSSITER

UNITED NATIONS, N.Y. — When President Reagan and leaders of six other industrial nations examine economic issues over the Memorial Day weekend, they will take at least a glance at the troubles of third world countries, whose debt of more than \$600 billion menaces the banking system of the industrial world. French President François Mitterrand and Prime Minister Pierre Elliott Trudeau of Canada, moreover, are likely to press their colleagues at the Williamsburg, Va. summit to make some gesture towards the developing world. At a minimum, this might mean renewal of the unfilled pledge at last year's economic meeting in Versailles to launch "global negotiations" that the third world hopes will bring it a large-scale transfer of resources.

This year's summit coincides with a resurgence of the doctrine — by no means unanimously supported — that prosperity in the industrial North is tied to the fortunes of the developing South. Adherents include Robert S. McNamara, former president of the World Bank and now chairman of the Overseas Development Council. He warns that failure to meet the third world's needs means that Asia, Africa and Latin America "will act as a continuing and worsening drag on global economic growth." Similarly, John P. Lewis, a member of the Council of Economic Advisers under John F. Kennedy, writes that "U.S. recovery will be linked to third world expansion."

And a commission led by Willy Brandt, the former West German Chancellor, declares that "it is increasingly obvious that we are all in the same boat, that the North cannot contemplate with unconcern the fact that the South's end of the bar is sinking."

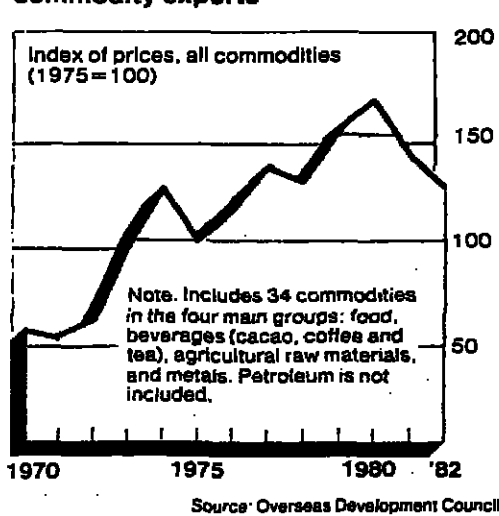
Such argument refers mainly to two problems, jobs and debt. Third world markets have provided fast-growing outlets for exports from developed economies, creating jobs. The third world's demand in 1970 accounted for about 30 percent of the \$66 billion in goods and services that the United States sold abroad. In 1981, the United States exported six times as much and the South's share had risen to close to 40 percent. The Brandt commission calculated that one of every six jobs in American industry

depended on these sales. The link between commercial banks and their Southern debtors is even more impressive. By 1982, according to Mr. Lewis, the third world owed the nine largest American banks a sum equal to more than double their capital. In Paris at last week's meeting of the Organization for Economic Cooperation and Development, Treasury Secretary Donald T. Regan urged the banks to keep their third world clients afloat with fresh loans because the world economy would suffer "unpleasant developments" from defaults. Slump and stagnation in the North have reduced demand for third world products, slashed the prices of raw materials and created new barriers to the markets of the rich. High interest rates, particularly in the United States, have increased the third world's debt burden at the very moment when its ability to pay has weakened. So the Brandt commission and the Overseas Development Council call for a series of measures much like those urged by third world countries: big increases in foreign aid, agreements to push up commodity prices and eliminate import barriers, easier lending by the World Bank and the International Monetary Fund, an extra grant of I.M.F.-created money, or special drawing rights, and lower interest rates in the North.

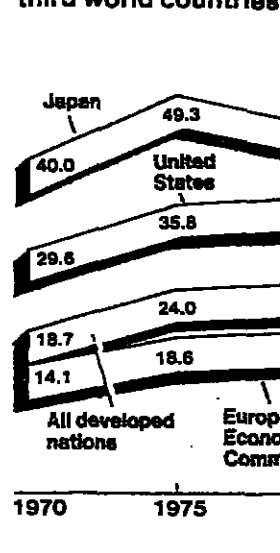
Some economists in the North, however, would stand the doctrine on its head. One authority on international trade, Charles P. Kindleberger of the Massachusetts Institute of Technology, contends that it is more accurate to say that prosperity in the South depends on growth in the North. "It is probably clear," he said, "that expansion in the South can't continue because of its debt burden." Instead of relying on exports to the third world, he said, "it is time now for the United States, Western Europe and Japan to switch to domestic expansion."

North-South trade patterns

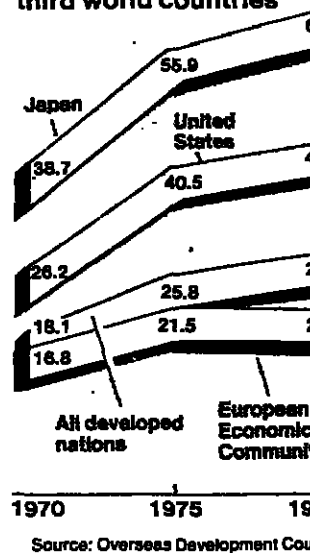
Prices of major commodity exports



Percentage of developed-nations' exports that go to third world countries



Percentage of developed-nations' imports that come from third world countries



The third world's imports grew so rapidly because of the huge credits they received, he said. "These things are terribly interactive, like love and marriage." So the boom in Southern buying was fueled by Northern banks. Mr. Kindleberger argued that these credits can't be cut off abruptly, that "it's important to keep on lending to get back off the precipice." But increased loans would mean "a drive towards the precipice and that's ridiculous."

At the London School of Economics, Lord Bauer, a critic of foreign aid, was even more blunt. "This is all nonsense," he said of the third world claim. "The export boom was created by our money. If governments seek to create additional demand, they should spend the money at home. If the banks are vulnerable, the proper way to bail them out is to give them the money directly."

Even those who plead the case for aid to the South acknowledge that its present woes flow from stagnation in

the North. The Brandt commission said, "Industrial economies transmit their troubles to developing countries... The prolonged recession in the industrialized countries of the North" has had "a devastating impact on the South." A United Nations-sponsored report by experts under the chairmanship of William G. Demas, president of the Caribbean Development Bank, said that development has gone into reverse, with third world income per capita falling for three years in a row. "Whole continents," the report said, undergo "convulsive contraction when the industrial North suffers a recession."

At Williamsburg, the leaders will not agree on a communiqué prepared before they meet. But it would be surprising if they came up with conclusions very different from those of Mr. Kindleberger: Lending to the South must continue, to preserve banks in the North, and the prime task is increasing output in the industrial world.

Pact With Lebanon Reflected a New 'Neutrality'

The Israeli Army Signs a Political Truce

By DAVID K. SHIPLER

JERUSALEM — Israel's army is going through something of a catharsis after the war in Lebanon and the massacre in Beirut's Palestinian refugee camps. The high pitch of crisis has brought a sweeping change of leadership and a pragmatic calm that holds some promise of restoring the army as Israel's most unifying institution, above the divisive politics of the day.

So many issues in Israel involve security, the army is never far removed from important governmental decisions. The Chief of Staff usually attends Cabinet meetings where his views are heard and often heeded. Thus, the general staff's assessment was important to Israel's recent acceptance of the tentative security accord with Lebanon, which permits less Israeli presence in southern Lebanon than the army originally desired. But the new leadership has reportedly restricted itself to military judgments, deferring to compromises dictated by the political echelon without attempting to harden the Government's line. Had it been otherwise, Prime Minister Menachem Begin might not have accepted the scaled-down accord.

Somewhat, the moral pain of fighting a war without consensus at home and of sending Lebanese Christian Phalangists into the Palestinian camps has had a cleansing effect on the upper ranks. A state investigating commission's finding in February that Israeli leaders bore "indirect responsibility" for the Phalangists' slaughter of hundreds of Palestinians has produced shifts of personnel and a revision of tone. The combative Ariel Sharon resigned as Defense Minister and was replaced by Moshe Arens, a steady team player, who has begun to appoint low-key generals. He chose a quiet professional, Lieut.

Gen. Moshe Levy, to succeed the outspoken, highly political Chief of Staff, Lieut. Gen. Rafael Eytan, whose retirement had been welcomed by the commission. The former air force chief, Maj. Gen. David Ivri, also apolitical, was brought back into uniform as Deputy Chief of Staff.

This is bound to be a relief for Israelis who like their army neutral and dignified. "There is a tremendous national desire for sanity," said Hirsch Goodman, the military correspondent of the English-language Jerusalem Post. "People want normalcy." And in a Chief of Staff, they want a combat veteran they can reverently unambiguously. Left-of-center critics found General Eytan, nicknamed "Rafal," abrasive and contentious. "Rafal hates Arabs," Mr. Goodman said. General Eytan encouraged his troops in the occupied West Bank to be tough and guns were often turned against Arab rioters. He endorsed the Government's vigorous program of Jewish settlements as essential for security, thereby placing himself squarely on one side of Israel's deep political divide. He told Parliament's Foreign Affairs and Defense Committee last month, "When we have settled the land, all the Arabs will be able to do about it will be to scurry around like drugged roaches in a bottle," a remark many Israelis welcomed but others found racist.

Military-Political Ties

General Levy, by contrast, has abolished some of the Eytan guidelines for treatment of West Bank Arabs and amended others. He "grew up to think in terms of coexistence" with the Arabs, Mr. Goodman said. He lives on a kibbutz of the Hashomer Hatzair movement, socialists who are overwhelmingly opposed to the Begin policies. But Mr. Goodman predicted, "Levy will leave his politics at home." His conciliatory attitudes reportedly were instrumental in acceptance of the Lebanon accord.

General Eytan was widely accused of politicizing the army when he supplied protection and logistical support to Jewish ultranationalists who set up illegal settlements in the West Bank. But the army has been intertwined with politics since the founding of the state and before. In 1967, Chief of Staff Moshe Dayan criticized the Government for withdrawing from positions in the Sinai captured during the 1968 war. When the Hebrew-language newspaper Haaretz tried to criticize General Dayan for having "plunged into the depths of the political controversy," the military censor prohibited publication of the comment, according to a new book, "Between Battles and Ballots."

The author, Prof. Yoram Peri of Tel Aviv University, notes that many of Israel's top generals have had explicit affiliations with political parties and that politics have often played an important role in internal army organization and staffing. This is partly a legacy from pre-state days when Jewish military units were closely linked with political alignments and parties. A main fighting force, the Palmach was affiliated with the Labor Zionist movement, and it included generals from the left-wing Mapai Party and Mapai, the forerunner of today's Labor Party. Mr. Begin, who led the underground Irgun Zvai Leumi, has drawn some of his closest staff members and ministers from Irgun alumni. The general staff has usually reflected the party balance in the Government. Of 44 top generals between 1949 and 1977, Mr. Peri writes, 70 percent were



Israel Defense Minister Moshe Arens (center) and Chief of Staff Moshe Levy (with hat) touring army positions in Lebanon.

members of Mapai, the then-dominant Labor Party.

Defense Minister Arens has underscored the relationship between the military and political echelons by selecting General Levy as Chief of Staff, Mr. Peri believes. One of the two other candidates was a dovish Labor supporter, he said, and the other was so admired by Mr. Begin that Mr. Arens probably worried he would be bypassed by direct communications between the Chief of Staff and the Prime Minister.

And so the ideal is still pursued, although not yet achieved. The army, David Ben-Gurion once said, "is the only body in the nation which is beyond debate, which does not have divisions and contradictions, which is free from the malignancy of fissures and fragmentation which the nation of Israel inherited."

Writers Union Dispenses Perks and Punishment to 8,000 Members

For Soviet Authors, the Sword Is Mightier Than the Pen

By SERGE SCHMEMMANN

MOSCOW — Leo Tolstoy, Ivan Turgenev and several other successful writers got together in 1859 to start a literary fund to help struggling young writers. Their "Litfund" survives, but now its mission, according to a Moscow wag, is to ensure that writers don't write.

The joke only exaggerates the truth. No one would deny that the 8,000 members of the Union of Writers, which controls the Litfund, include fine and worthy writers. But the union's record of expelling or vilifying many of its most talented members makes clear that access to the Litfund's generous perquisites is much easier through conformity and loyalty than through ability or integrity. "No one must ever forget," the 77-year-old poet Semyon Lipkin once said, "that the writers' union has only two functions — political and ideological. It has no creative function."

Mr. Lipkin is a founding member of the union and has earned honors for his fine translations and his own poems. He is also one of the few writers who have quit the union, voluntarily rejecting its benefits. Others who resigned include his wife, the poet Inna Lisnyanskaya, and Georgy Vladimov, the novelist, who plans to leave the Soviet Union this month.

By quitting they gave up privileges that translated into special food, housing, schools, Black Sea vacations, decent clinics, dachas, or country houses, theater tickets and even special funerals.

In the Soviet Union, where consumer goods are always scarce, rationed access to perks and privileges has evolved into a glue, bonding layer upon layer of bureaucrats, intellectuals and workers to the state. The Communist Party, military, secret police, the professional and trade unions all distribute privileges in return for loyalty and conformity.

Disloyalty means loss of perks and return to those hellish lines, the scramble for every scrap, loss of security. Leaving the writers' union also means official oblivion. No Soviet publisher or journal will accept the writer's



The Boris Pasternak country house in Peredelkino.

work and previously published books disappear from libraries and shops.

Litfund must rank as one of the richest dispensers of Soviet perks. It skims a share of royalties on every book by a union member. In its network of "tvorcheskije domy," or creative houses, writers can summon a hesitant muse in sylvan settings and fine dining rooms. They can use the union's well-equipped medical clinic in Moscow, escaping the long lines of lesser clinics, and can receive sick pay with minimal fuss.

Two shops supply books lesser mortals cannot find outside the black market. Litfund can arrange a stay at a Black Sea sanatorium, a mountain vacation, or even a custom tailor to make a sheepskin coat or fur hat, with the quality calibrated to rank in the union.

Members can get advances of up to 500 rubles on work in progress. They enjoy a weekly "payok," a parcel of sausage, chicken, cheese, jam and sometimes smoked sturgeon and caviar — again apportioned in accordance with rank. Other perks include the private restaurant at union headquarters, private showings of Western movies, offices that can arrange theater tickets, a sleeping compartment on a train, a lawyer, decent kindergarten or an apartment.

There is a story told of a conscientious worker promoted to an important position who declines the privileges for which he is newly eligible. He really doesn't need the food package, he says, and prefers his mother's home to the official dacha. The man was summoned by higher-ups and strongly advised to cease his resistance — if looked too much like a demonstration.

"These privileges so entice a writer that he becomes shackled, he cannot live without them, he can no longer refuse them," said Mr. Vladimov. "Writers strew in their sealed kettle, so that even their wives run off with their writers, moving up through the ranks."

When he quit the union in 1977, Mr. Vladimov was apparently the first writer ever to do so. He was disgusted by the expulsions of several friends and by official reservations about his books. Earlier this year, after several searches and interrogations by the K.G.B., Mr. Vladimov

asked to leave the country. Mr. Lipkin and Miss Lisnyanskaya quit after the crackdown on "Metropol," a vain attempt by 23 writers to publish an uncensored collection of new writings. The writers union threw out two young writers who were compilers of the anthology. Several writers had threatened to quit if the union acted against any of them, but only Mr. Lipkin and Miss Lisnyanskaya kept their word.

"We weren't being naive heroes," Mr. Lipkin said. "We knew exactly what we were doing, what we were losing. But we had given our word." In fact, Miss Lisnyanskaya delayed handing in their resignations for four days so that Mr. Lipkin, who was in a hospital, could continue to get adequate care.

Litfund privileges come in three categories — the best for 50 to 60 top officials, second for 300 or so senior officers and third for the rest of the members.

Not surprisingly, the system generates strong jealousies. Currently, there is the dispute over the late Boris Pasternak's elegant dacha in the literary settlement at Peredelkino, east of Moscow.

Maxim Gorky, who started the union in 1934, built about 30 spacious dachas there as retreats, with the understanding that they would revert to Litfund two years after the writer's death. But no one moved out, and last year, Litfund opened legal proceedings to oust the squatting heirs.

Pasternak's heirs, however, had transformed his house into a museum, which annually attracts thousands of visitors. With the gradual official rehabilitation of the author of "Dr. Zhivago," the museum was able to operate in relative peace.

But now the row over dachas has posed a nasty dilemma for Litfund. To leave the Pasternaks alone would raise a howl and cry among "loyal" writers and their heirs. They would be sure to ask why they should be evicted when a dissident writer is honored with a museum. Yet to evict the Pasternaks would reopen the international scandal over the Nobel Prize winner's expulsion from the union and his public vilification by many of the writers still prominent there.

BROADWAY 80

WARNING — The Ministry of Health has determined that smoking is harmful to health

I'm glad I changed.

The Nation

In Chicago, City Hall Is For Fighting

Its heyday may be over, but Chicago's old political machine is not quite ready for burial. Last week, Mayor Harold Washington was forced into peace talks with his political enemies on the City Council, who had welcomed him to City Hall with a barrage of contempt.

The municipal warfare began earlier in the month, not long after inauguration day, when mayoral aides let it be known that Mr. Washington, among many changes he thought he had been given a clear mandate to undertake, wanted to replace Alderman Edward R. Vrdolyak as chairman of the Council Committee on Building and Zoning. Mr. Vrdolyak, who is also the Cook County Democratic chairman, struck back.

When Mayor Washington and his supporters abruptly adjourned an organizational meeting of the council and walked out, Mr. Vrdolyak took up the gavel and promptly rammed through his own program. It included new rules that would (1) limit the authority of Mr. Washington, who is the city's first black mayor and whose election was opposed by many of the council's white members and (2) install allies of Mr. Vrdolyak as chairmen of all but three of the council's 29 committees, wellsprings of power

and John M. Murphy of New York — have asked the Supreme Court to take up their cases.

Dioxin Trial To Proceed

The progress of a lawsuit filed by Vietnam veterans against the chemical companies that produced Agent Orange, a Federal judge noted early on, would turn on whether the companies had withheld information from the Government about the dangers of the herbicide. Last week, the judge, George C. Pratt Jr., ruled that the preliminary evidence showed Washington hadn't been fully informed and that the suit should go to trial.

"We won an important victory," said Victor John Yannacone Jr., an attorney for the plaintiffs. "If the judge had dismissed us, we would have been finished." The suit, a class action on behalf of 20,000 Vietnam veterans, their widows and children, was filed nearly four years ago. The case involves veterans' assertions that exposure to the dioxin in Agent Orange—a defoliant that was widely used in Vietnam—has caused cancer and other illnesses, along with birth defects in their children.

The chemical companies had maintained they weren't responsible for any injuries because they had merely been following Government specifications and that Washington was fully aware of the toxicity of dioxin. But Judge Pratt, in an oral opinion delivered in a Uniondale, L.I., courtroom, said it appeared that some of the firms might have withheld data about the dioxin content of their product. He said that the Agent Orange produced by four companies was relatively free of dioxin and dismissed claims against them. Left standing were claims against Dow Chemical and four smaller companies.

A spokesman for Dow said the company was disappointed with the ruling. But, he added, "We are confident Dow will be vindicated" and he said that because "the decision is highly complicated," an appeal was being considered. Even without further appeals, a trial isn't likely to get under way for another year.

Comsat Dealings Under a Cloud

Communications Satellite Corporation is a potential buyer of the Government's weather satellites. Guy W. Fiske, until last week the Deputy Secretary of Commerce, had been deeply involved in the debate over whether the agency should sell the satellites. In the midst of the debate, Mr. Fiske met on at least four occasions with Comsat to discuss becoming a top-level executive with the company one day.

And now, officials disclosed last week, the Justice Department has begun an inquiry into whether the contacts between Mr. Fiske, who resigned on Tuesday, and Comsat, the only company that has so far expressed an interest in acquiring the satellites, violated Federal conflict-of-interest statutes. After an investigation of his own, Sherman E. Unger, the Commerce Department's general counsel concluded that Mr. Fiske had violated the agency's standards of conduct and the case was subsequently referred to Justice.

Mr. Fiske's lawyer said that his client would not have any immediate comment. In testimony prepared for a Congressional hearing earlier this month that was canceled, Mr. Fiske denied any wrongdoing. "I have tried to be vigilant in avoiding potential conflicts," he wrote, "and I am satisfied that I have been successful in every instance, including the present one, in avoiding impropriety."

Inquiry Confirms Rickover's Math

For years, critics of the military-industrial establishment, especially the military part, have had a powerful ally in Adm. Hyman G. Rickover and his blasts against profiteering. Last week, they may have gained another in the General Accounting Office. But that depends on how one reads between the lines.

Asked two years ago to look into the Admiral's charges against four Navy contractors, Congress's investigative arm produced characteristically dry language. "We could not render an opinion," the accounting office report stated, "whether excess profits had been made, since there are no generally accepted criteria as to what constitutes excess profits." The agency could, however, and did render its opinion on the correctness of the figures Admiral Rickover, now retired but still outspoken, gave a Congressional hearing in June 1981. "Essentially accurate," it called them. Four contracts for submarine overhauls and components were cited; profits for the three companies involved ranged from 27 percent to 66 percent. The companies, backed by the Pentagon, said the earnings were justified by performance and risk.

Michael Wright
and Caroline Rand Herron

Reagan Letters Last Week Stressed Arms Control

'Window of Opportunity' In Debate on MX Missile

By STEVEN R. ROBERTS

WASHINGTON — Early Wednesday afternoon a group of moderate Congressmen had just received a draft letter from the President, designed to convince them that Mr. Reagan was seriously committed to arms control. In less than an hour, a critical vote on the MX missile was scheduled in a House subcommittee. The White House desperately wanted the letter approved and publicized before then.

The nine lawmakers who received the letter did not like a few phrases, and asked for changes. White House aides scurried frantically to comply, and within 20 minutes the letter had been retyped and delivered to Capitol Hill. Parts of it were read to the subcommittee, which then voted to release \$625 million in funding for the MX that was blocked by Congress last year.

The White House does not usually display such concern for the sensibilities of nine relatively junior Congressmen, but the incident demonstrates how this group has become a pivotal force in the gathering debate over the MX missile. Along with three Senators who also received a Presidential missive last week, these lawmakers seemingly

have enough influence with their colleagues to swing the decision on the missile either way. And given their critical position, they have used their leverage to alter the MX debate.

In recent years, that debate has focused almost entirely on the missile itself. But as the President's letter indicates, the fate of the new weapon has now been directly linked to the future of United States arms control policy.

"We see a window of opportunity in the arms control area," said Senator Sam Nunn, the Georgia Democrat who is an important leader in the emerging group. "We have a real chance to move into that window."

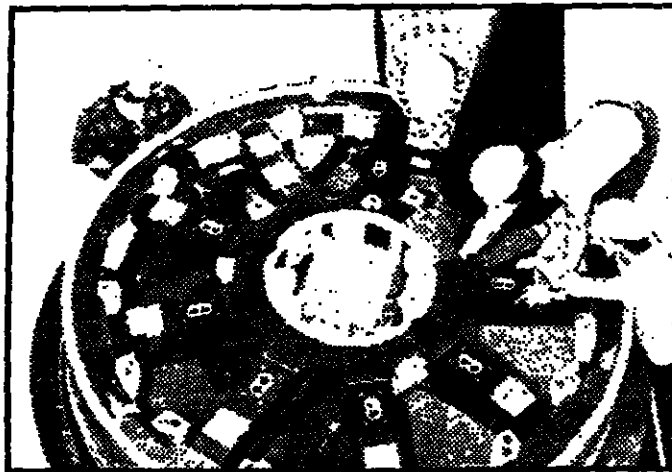
By and large, Mr. Reagan reiterated his support for recommendations advanced by a Presidential commission last month and promised to alter his negotiating posture on arms control at the Strategic Arms Reduction Talks in Geneva; to push vigorously for a smaller and more deceptive missile that would be ready in the 1990's, and to put the MX on the bargaining table, in the hope that it would never have to be deployed.

But the main significance of the letters was that the White House addressed arms control at all. As Senator Warren B. Rudman, Republican of New Hampshire, put it, "The need for the Administration to win the MX fight has made them focus on arms control in a way they didn't before."

The White House has been courting this group of lawmakers because they represent the critical mainstream view on defense issues. Representative Norman D. Dicks, Democrat of Washington, noted: "We're not hawks and we're not doves, but people in the center."

They believe in a strong defense and want to support the President, but they also worry that President Reagan does not give sufficient weight to the danger of an accidental war and the chance for a negotiated peace.

Moreover, the 12 recipients of the President's letters include some of the most respected voices on defense policy among the younger generation of lawmakers, including Mr. Nunn, Senator William S. Cohen, Republi-



Re-entry vehicle for the MX missile under construction at a plant in Wilmington, Mass.

Douglas Fraser, Last of the Reuther Men, Steps Down This Week

Auto Union Shares the Industry's Woes

By WILLIAM SERRIN

"We are the vanguard in America," Walter P. Reuther told the cheering delegates at the 1947 convention of the United Automobile Workers at Atlantic City, where he consolidated his power in the union. "We are the architects of the future."

Mr. Reuther was killed in an airplane crash in 1970 but a cadre of Reuther men was left to run the union. At the U.A.W.'s 27th convention, which begins today in Dallas, an era in the labor movement ends with the retirement of the last of the Reuther men — Douglas A. Fraser, the union's president, Martin Gerber, a vice president, and regional directors Robert Battle 3d, Ken Morris, Don Ellis, Bard Young and Ed Gray.

The U.A.W., nearing 50 years old, probably was never all that Mr. Reuther and others said it was. But it was in the vanguard of unionism, winning major bargaining goals, supporting the civil rights movement, condemning what Mr. Reuther saw as the conservatism of the labor movement, opposing, after a time, the Vietnam war.

As Mr. Fraser and the others of his generation step aside, the union will be led for the first time by a man who was not part of the Reuther team. Mr. Fraser's designated successor, Owen Bieber, a 53-year-old vice president, was just a teen-ager when Mr. Reuther assumed command of the U.A.W. And he faces a lot of difficult problems.

The recession and structural change in the auto industry have reduced union membership from 1.5 million to about 1.1 million. "It will take decades to replenish our membership," Mr. Gerber said last month.

The union has given billions of dollars in concessions to the auto industry. Now the General Motors Corporation is moving forward with plans to operate a plant at Fremont, Calif., in partnership with the Toyota Motor Company, and G.M. officials say the union will have to start from scratch if it wants to represent the Fremont workers. The union has also been forced to engage in strenuous organizing at new Nissan Motor Corporation and Honda Motor Company plants in Tennessee and Ohio.

Some people in and outside the union question the quality of the union's leaders at the regional and local levels. Victor G. Reuther, who retired as the U.A.W.'s director of international affairs two years after his brother's death, said "there has been some slippage" among the union's secondary leaders.

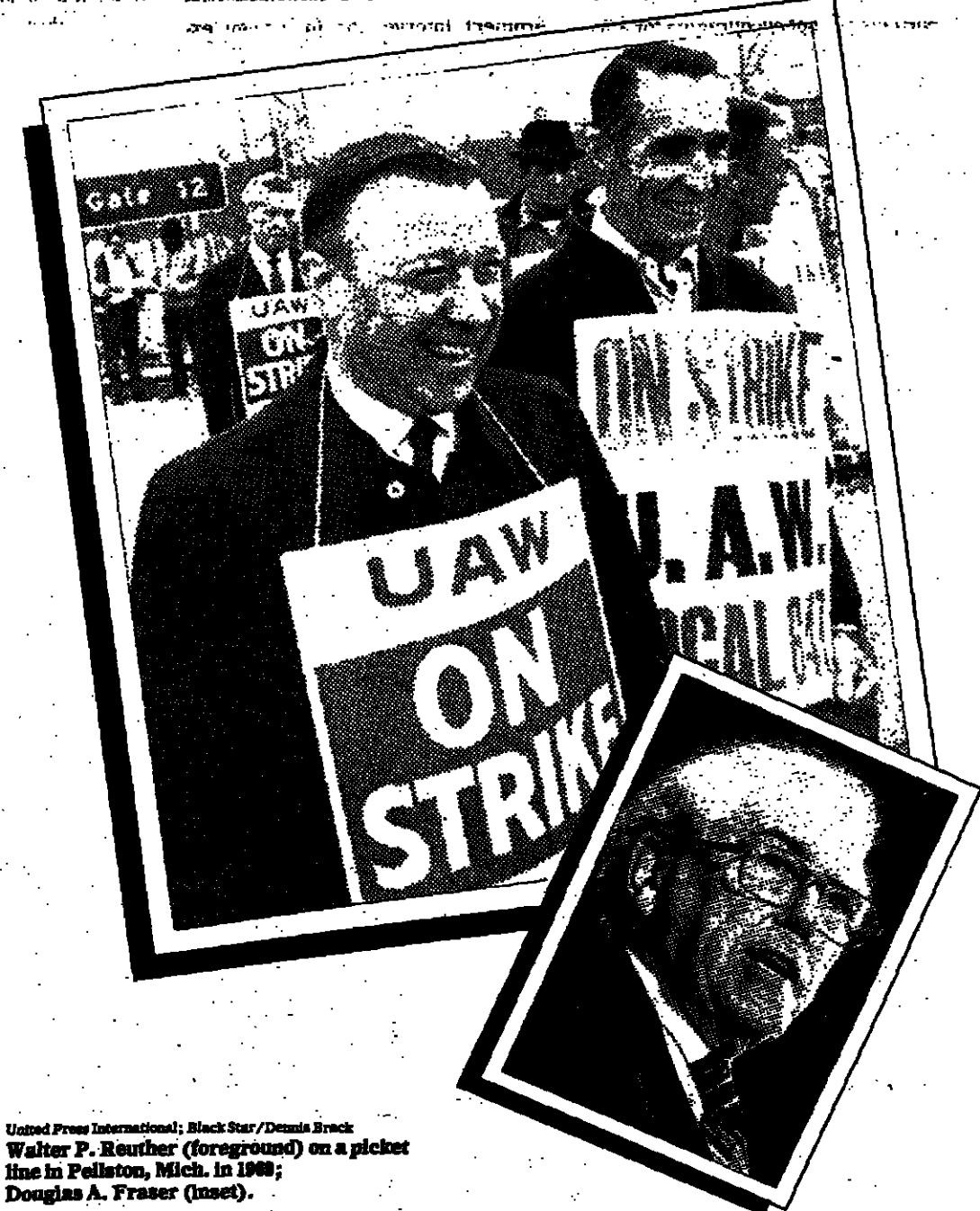
Coping With Robots

Mr. Reuther also doubts that G.M., Ford Motor Company and Chrysler Corporation have achieved the partnership with the union that some company and U.A.W. officials say exists. "I still think the Big Three companies haven't made up their minds that the U.A.W. is an institution they are going to have to live with," Mr. Reuther said.

Whether they live with it or not, the U.A.W. of the future seems likely to continue to shrink, at least in its auto industry component. The auto manufacturers are rapidly installing robots and other sophisticated machines and processes. This seems sure to mean the permanent loss of tens of thousands of jobs, a notion not accepted by some union leaders a few years ago but conceded today.

The problems of the union are the problems of the industry, of technological change, labor experts agree. Even the industry's return to profitability, hailed last week by financial analysts, could cause difficulties, for workers could demand wage increases even union leaders might find excessive. It could also mean a revival of disputes over work rules, among other things.

Over the years the union has had remarkably few critics, although it still often reacts harshly to criticism it receives. Many liberals have been un-



United Press International; Black Star/Donna Brack
Walter P. Reuther (foreground) on a picket line in Pontiac, Mich. in 1968; Douglas A. Fraser (inset).

willing to offend the union, seeing it, despite some warts, as probably the country's best.

One dissident, Paul Schrade, a former regional director who works at a California aerospace plant, said the union under Mr. Fraser has stifled younger members who were considered critics of U.A.W. leadership. Some labor experts in academia, who asked not to be named, agreed.

Nor has the union demonstrated sufficient commitment to social causes, according to critics like Mr. Schrade, who was once an assistant to Walter P. Reuther and, before he fell from grace, a friend of Mr. Fraser. Mr. Schrade said the death two years ago of the Progressive Alliance, founded by Mr. Fraser in 1978 as a liberal force in American life, was a particular loss. He is also disturbed that the union does not elect its top officer through a direct vote of members, but by convention delegates. That issue is likely to come up at the convention.

Yet, Mr. Fraser was willing to experiment in his six years as president. He took a seat on the Chrysler board. He thought the union should assist the auto companies so the greatest number of jobs could be saved. And he sees the union today

can of Maine, Representative Les Aspin, Democrat of Wisconsin, and Representative Albert Gore Jr., Democrat of Tennessee.

To critics of the MX, these legislators are either misreading the President or fooling themselves. The foes fail to see how deployment of a missile system would lead to arms reductions. And they continue to doubt the sincerity of the Administration's portrayal of itself as a friend of the arms control cause.

"The Administration is moving only because it wants a new missile, not because it understands the importance of arms control," argued Representative Thomas J. Downey, Democrat of Long Island. "I'm very, very skeptical of where they're going." McGeorge Bundy, former national security adviser under President Kennedy, warned the recipients of the President's letters to "look very hard at the fine print," and Fred Wertheimer, president of Common Cause, asserted that approval of the MX "is bound to result in another dangerous escalation of the arms race by both sides."

A Chance Worth Taking?

The centrist group acknowledges that the MX continues to make them uneasy. "I've still got my doubts," Representative Gore admitted, "but I think it's important to take this chance."

Some say they are taking the chance because they reluctantly accept the argument that the Soviet Union only respects strength in its rivals. "Hopefully," said Representative Dicks, "MX will serve as a way of getting the Soviets to negotiate seriously." Moreover, noted Representative Vic Fazio, Democrat of California, the centrists see the current debate as a chance to force a trade, "to get the Administration, kicking and screaming, perhaps, to take a new approach" toward arms reduction.

This approach, the lawmakers add, is being demanded by their constituents, the same voters who helped spawn the Congressional resolution calling for a freeze on nuclear weapons. "We don't have to go out and convince people this is important," noted Senator Charles H. Percy, the Illinois Republican who heads the Foreign Relations Committee.

At the same time, the lawmakers would like to depoliticize arms control. In a recent floor speech, Senator Cohen noted that "the seemingly endless controversy over the MX missile has engendered much ill will in this country among the people who share the objective of reducing the risk of nuclear war." And Representative Gore added, "We believe achieving a bipartisan consensus is critically important to a successful arms effort."

But only if President Reagan grasps the urgency of the issue, they add, can arms control remain outside politics. Senator Nunn said, "He's going to have to understand personally that the world is getting more dangerous."

If the President does not understand these dangers, and reneges on his promises, the legislators vow to retaliate. "Our votes in future years," said Representative Aspin, "depend on deeds, not words."



Alderman Edward R. Vrdolyak during council debate.

and patronage. In another meeting, the Mayor announced that he was vetoing his foe's handiwork and before this session adjourned, a fist-fight had broken out in the spectators gallery and Mr. Vrdolyak was shouting at Mr. Washington: "You are ruining Chicago!" While negotiations continued, lawyers for both sides asked Cook County Circuit Judge James C. Murray to settle the dispute.

Meanwhile, the Chicago Park District, which has been denounced by Mayor Washington and other critics, agreed to mend its ways. The district, which operates independently of City Hall, said it would spend \$60 million on recreational facilities that serve black and Hispanic neighborhoods. In November, in the first such action of its kind, the Justice Department had sued, claiming that the Park District was violating the anti-discrimination provisions of the Housing and Community Development Act of 1974 by giving short shrift to minorities. Under the agreement with the Government, the district didn't admit guilt but promised to upgrade fieldhouses, build new swimming pools and playgrounds and improve day-to-day maintenance.

Sneaky, but Not 'Intolerable'

Former Representative Richard Kelly, whom the Government's busy Abscam cameras captured stuffing \$25,000 into his pockets, insisted that he had been framed. A Federal district judge agreed, tossing out his 1981 bribery-conspiracy conviction. Last week, a Federal appeals court panel in Washington reinstated the jury's guilty verdict.

The panel noted that Abscam "was indeed an elaborate hoax, created by the F.B.I. with the assistance of a convicted confidence man to ferret out corrupt public officials." And in separate opinions, two of the three judges questioned whether the Government's pursuit of Mr. Kelly had been justified. Nevertheless, the court said, the F.B.I.'s conduct "simply did not reach intolerable levels."

Of the seven Representatives and one Senator snared in the Abscam net, Mr. Kelly's is the only conviction to have been overturned, even temporarily. His lawyer said the full appeals court would be asked to rehear his plea. The convictions of the other Congressional defendants have all been upheld on appeal, and several—including former Representatives Frank Thompson Jr. of New Jersey

as substantially involved in what previously were considered management matters.

The problems facing Mr. Bieber, selected for the presidency by the union's leadership in November and expected to be formally installed this week, may be greater than those faced by Mr. Fraser. The colorless Mr. Bieber has yet to convince some doubters in Solidarity House, the union's headquarters in Detroit, that he has any special skills or commitment to social causes. His supporters, however, regard him as a capable and flexible bargainer.

Douglas Stevens, chairman of the shop committee at Local 595, Linden, N. J., and a critic of many Solidarity House policies, said pressure from rank-and-file and local leaders may help push Mr. Bieber into forceful positions. Members showed their willingness to buck Solidarity House last year when, against its recommendation, they rejected a proposed Chrysler contract.

Victor Reuther believes the U.A.W. remains "committed to a policy of social unionism, not just an extra nickel in the pay envelope." But others say maintaining this commitment would take all the skill and zeal Mr. Bieber can muster.

Trying to Avoid Another Versailles

By H. ERICH HEINEMANN

In less than two weeks, the leaders of the Western alliance will gather for a summit meeting in Williamsburg, Va., to try to map out a common economic strategy. Profound differences exist among the allies — over control of East-West trade, energy policy, government intervention in the foreign exchange markets and policies to stabilize the world banking system — but the discord is not likely to be visible at the summit talks. For months, elaborate political efforts have been under way to paper over the problems.

Thus, the political discord that marred last year's economic summit meeting in Versailles, over some of the same issues, is likely to remain below the surface. The meeting last week in Paris of the Organization for Economic Cooperation and Development — which involved, among others, the foreign and finance ministers of the countries that will be at Williamsburg — provided a preview of the good manners that can be expected in Williamsburg.

French President François Mitterrand, who has been struggling to stabilize both the weak French economy and the franc, made a strong plea for a complete overhaul of the world financial system and a move back toward fixed foreign exchange rates. The French initiative was highly controversial, but that was difficult to tell from the official reactions in Paris. American officials merely said they thought it was "premature."

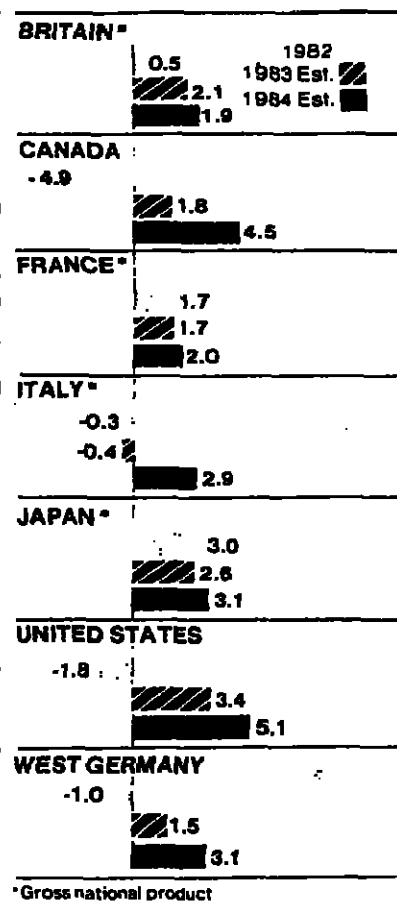
Despite the common interest in holding the alliance together politically, the deepening divisions over economic policy are serious. They raise questions about the ability of the industrial powers to deal effectively with the worldwide economic and financial crises of weak recovery, falling world trade, high interest rates, high unemployment, misaligned currencies and shaky banks.

"The world economy is in undeniably bad shape," former West German Chancellor Helmut Schmidt said recently. "It is not incurable, but governments must face up to their responsibilities." He added, grimly: "Today governments appear paralyzed, unable to take political decisions."

While it is impossible to predict the precise outcome in Williamsburg, the

A Concern at Williamsburg: Will Stronger Growth...

Real growth of gross domestic product, annual rate



prepared by the head of the American "sherpa" team, W. Allen Wallis, Under Secretary of State for Economic Affairs. At Williamsburg, he writes, the emphasis will shift to maintaining growth "without reigniting inflation." In a classified memorandum outlining American strategy for the meeting that Mr. Wallis describes as having President Reagan's approval "in general terms," the Under Secretary added that "we should not resist this shift but discipline it, by getting other leaders to agree that controlling inflation must be a permanent feature of policy."

At the same time, the Administration remains opposed to active gov-

have been unable to pay international debts as they come due.

What the European and Japanese are most anxious for the United States to do now is to reduce its budget deficit as the principal way to get interest rates down to spur recovery.

In his memorandum, Mr. Wallis acknowledged that "controlling budget deficits remains a critical priority. We would like to make faster progress, but not at the cost of renewed inflation, of inadequate defense, or of more burdensome taxes."

A sampling of views by correspondents of The New York Times in the capitals to be represented at Williamsburg turned up uniformly limited expectations about the prospects. Economies are slowly improving — with the United States in the lead — but there was a common concern that many long-range problems would be brushed under the rug at the colonial palace where the leaders will meet.

In Tokyo, Japanese Government and business leaders are cheered by recent signs that the world economy may be picking up. But the Japanese are also pessimistic that the Williamsburg summit conference will do anything to hasten the recovery.

They are counting on renewed expansion to build demand for their exports and to help third world nations, which owe large amounts to Japanese banks. Business activity in Japan has been stagnant since 1981, and for 1983 the most common expectation is a modest increase in real output of 3 percent to 3.5 percent.

The main stumbling block to a more robust recovery, in the Japanese view, is relatively high American interest rates, which in turn are tied to the record deficit in the Federal budget. "We all know where the problem lies," said Masaru Yoshitomi, chief economist of the official Economic Planning Agency. "But no one except President Reagan can do anything about it. I am pessimistic that the Williamsburg summit will do anything to deal with the No. 1 problem."

Japanese officials say that central banks could take coordinated action to stabilize exchange rates, which might ease trade frictions by reducing imbalances caused by currency misalignments. "We hope that the U.S. Government will not be so rigid in its resistance to all intervention to stabilize exchange rates," said a senior official of the Ministry of International Trade and Industry.

Officials in London, much as the Japanese, believe their most pressing goal at the conference will be to wrest from President Reagan a strong signal that American budget deficits will be reduced significantly over the next three to five years. According to the consensus in London, Britain would prefer immediate action on the deficit as an aid to bringing down interest rates. That, officials said, would strengthen what now appears to be a weak and tentative world economic recovery.

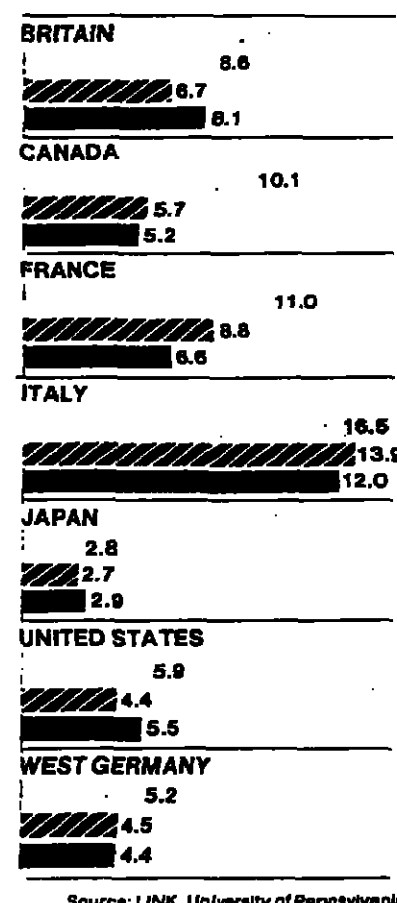
"The strategy we need is to nurse the recovery through to sustained non-inflationary growth," said Sir Geoffrey Howe, Chancellor of the Exchequer, who is likely to be present at Williamsburg. The industrial nations "must focus on making room for the recovery to develop without relaxing the disciplines on growth of monetary aggregates, and without losing control — in some cases indeed improving control — of fiscal deficits."

Robin Aspinall, an economist with the Imperial Group in London, expects the British economy to expand between 1 and 2 percent in 1983, but he warns that "even this modest expansion is threatened by potential weakness in the world economy and the tendency of U.K. consumers to spend a large portion of their extra expenditure on imports."

In Bonn, the Germans say they would like, at the conference, to discuss ways to reinforce what they see as a beginning economic recovery. These methods include reducing open

Reignite Inflation in the Industrialized Nations?

Inflation measured by the private consumption deflator, annual rate



and covert trade barriers, stabilizing currency exchange rates and reinforcing the world financial system.

Their fear is that the careful political preparation for the summit meeting could break down, which could lead to discord over issues like policy differences between the United States and France, or East-West trade, where the Europeans and the Americans still fail to see eye-to-eye. But Chancellor Helmut Kohl said he expected problems like the farm trade war between Europe and the United States or East-West trade to be avoided or dealt with only marginally.

In part owing to a drop in export orders, the West German economy is still struggling to pull itself out of recession, despite the beginning of an upturn in investment activity. Mieczyslaw Karczmarski, chief economist of the European-American Bank in New York, which is owned in part by the Deutsche Bank, is forecasting that the German economy will decline by about one-half of 1 percent this year.

Chancellor Kohl said recently that he expected the summit topics to include "reviving our economies, creating jobs, especially for young people, and north-south problems involving the debt crisis in the third world."

One major obstacle to European agreement at Williamsburg is the lack of accord between Bonn and Paris on major policy issues, such as free trade and possible measures to stabilize currency exchange rates. Like Paris, Bonn wants stable rates, because of its heavy reliance on foreign trade, which volatile rates hamper. But like Washington, Bonn rejects French calls for large-scale central bank intervention to achieve stability, preferring instead a larger measure of economic policy convergence.

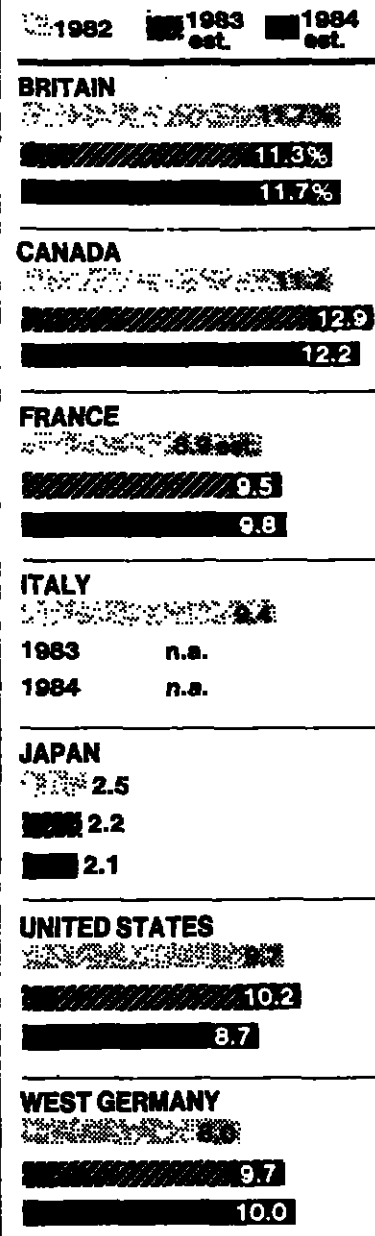
In Rome, the Italian Government, preoccupied with political crisis and national elections next month, views the Williamsburg economic summit meeting with detachment. Officials respond largely in generalities when asked about their expectations.

"We want to see more clearly what the big industrialized countries can do to make the economic recovery more stable, longer-lasting, more real," said Foreign Minister Emilio Colombo in an interview.

The Economy

Persistent Joblessness in the Summit Countries

(Unemployment rates in percent)



According to Bruno Bovedani, chief economist for the Banca Nazionale del Lavoro, further stimulus is important because rapid inflation in Italy has created a severe "fiscal drag," as taxpayers have been pushed into higher tax brackets. Thus, he says, "real economic indicators are still pointing downward." Chase Econometric Associates' European service is predicting that real G.N.P. will decline again in 1983 by about three-tenths of 1 percent on average.

The Minister for Community Policies, Alfredo Biondi, pointed out that among members of the European Economic Community there were pronounced policy differences on agricultural products and steel. Unless these are overcome, he said, they will have a negative effect on European-American relations.

Canadian Prime Minister Pierre Elliott Trudeau visited President Reagan at the end of April to push for his agenda at Williamsburg. Mr. Trudeau stressed the need for support of third world economies.

In an address to the Canadian Institute of International Affairs last week-end, Mr. Trudeau spelled out his rationale: "We cannot escape the world, nor can we bring about a totally independent national recovery." He added: "Despite the intensity of eco-

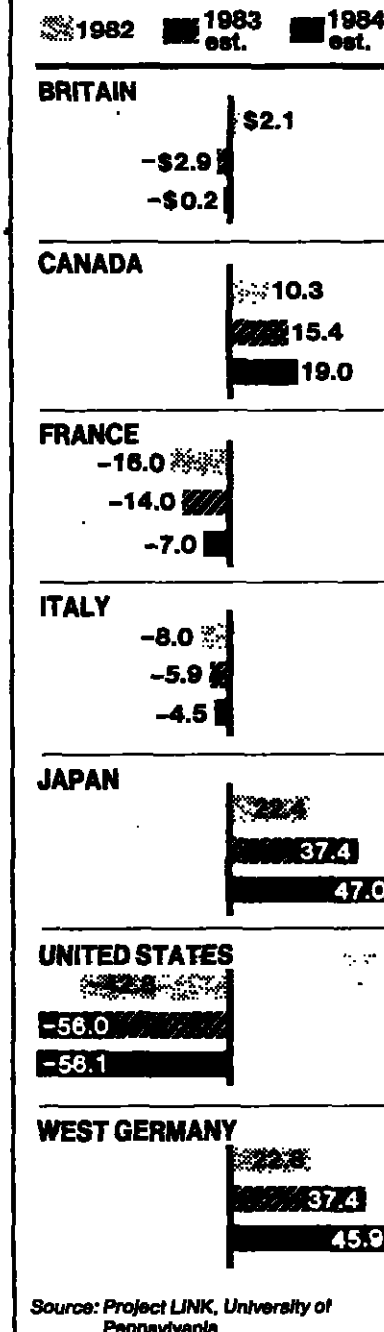
nomic distress in Canada, the temptation to turn inward" and adopt an isolationist approach must be resisted.

Mr. Trudeau and his aides believe that to generate recovery in Canada, where economic expansion has been lagging behind that of the United States, new markets in the third world must be stimulated. According to the Conference Board in Canada, primary attention is now focused on job creation. For the full year, the Conference Board is projecting that the Canadian economy will expand by about 2 percent.

So far as the Reagan Administration is concerned, to quote Mr. Wallis's outline of United States strategy, the

And Distorted Trade Balances

(In billions of U.S. dollars)



"summit provides the main economic powers, which share common principles and values, an opportunity to [provide] collegial leadership in economic problems. The President has led by laying the foundation for sustained noninflationary growth and job creation in the U.S."

The American purpose, he said, is to build on the President's leadership (and on similar, though so far somewhat less successful efforts, in Germany, Britain and Japan) to encourage the other countries to create the basis for noninflationary growth and job creation.

Many international frictions are expected to be pushed under the rug at the summit.

portents are not encouraging for effective action on the key issues. British Prime Minister Margaret Thatcher has called a general election for June 9 and may eliminate her scheduled pre-summit visit to Washington. The betting in London, however, is that she will show up at Williamsburg.

From an American viewpoint, the principal conclusion at Versailles last June — that "growth and employment must be increased" — has been put into effect and further major policy initiatives of any sort are not needed.

Within a few weeks of the Versailles meeting, Federal Reserve chairman Paul A. Volcker, at least in part at President Reagan's urging, started to ease American monetary policy. The result was a major drop in interest rates all over the world, and a corresponding surge in stock and bond prices. This proved to be the trigger for a global economic recovery, which is now starting to take shape in all the countries to be represented at Williamsburg — Britain, Canada, France, West Germany, Italy, Japan and the United States.

The Administration's attitude now is reflected in pre-summit documents

ernment intervention in foreign exchange markets but committed to a significant tightening of controls over trade with the Soviet Union, notwithstanding the conciliatory stance that Secretary of State George P. Shultz adopted toward trade in Paris last week.

Europeans, by contrast, have been taking a more pessimistic view of the state of the world economy, one that implies much more vigorous government stimulus — and intervention — than President Reagan has been willing to accept. European leaders argue that there are more than 32 million people out of work in the Western industrial countries, and that moderate economic growth in these nations over the next few years will do too little to bring this total down.

As European leaders see it, interest rates, adjusted for inflation, continue to be very high by historical standards, exchange rates of key currencies are seriously misaligned, and banking systems are under strain — domestically as well as internationally — because of actual and potential loan losses. Many developing countries are in financial difficulties and

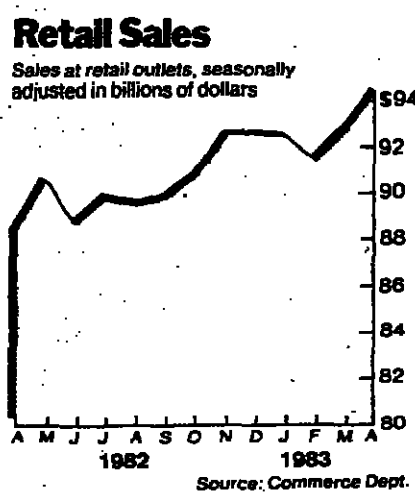
WEEK IN BUSINESS

Finally, Consumers Start Spending

Retail sales rose a hefty 1.6 percent in April, a strong indication the consumer has finally joined the budding recovery. The much-larger-than-expected increase was accompanied by an even more heartening revision of consumer spending in the previous month. The Commerce Department, which had originally reported that retail buying gained a mere three-tenths of 1 percent in March, revised that figure sharply higher — to 1.7 percent. With the July 1 tax cut just around corner and consumers showing more willingness to take on installment debt, economists are enthusiastic about the prospects for a rebuilding of inventories and a burst in industrial output.

The nation's factories already seem to be taking the cue. Industrial production, after solid increases in the past few months, shot up by what one analyst called a "stunning" 2.1 percent in April, the largest monthly gain in almost eight years. Production of consumer durables — appliances, carpeting and furniture — was particularly strong, leading a Government economist to predict that second-quarter growth "may be well ahead" of last period's 3.1 percent increase.

Producer Prices continued their decline. Aided by a new drop in energy prices, the Producer Price Index fell



one-tenth of 1 percent in April, the third decline in four months. But such declines aren't likely to go on much longer. Energy costs are headed higher as oil companies raise gasoline prices, and food costs — which rose 1.2 percent last month — seem to be on an upward trend.

That old revolving door: Richard Pratt, former head of the Federal Home Loan Bank Board, is moving on to Merrill Lynch, where he will run the brokerage firm's new mortgage financing unit. His other responsibilities: dealing with savings and loans

and Federal regulators. William J. Uxory, the Secretary of Labor in the Nixon Administration, is joining Toyota as a consultant. Mr. Uxory, who has dealt with many an angry labor leader, will be trying to calm the United Auto Workers union, which fears that laid-off General Motors workers will not be part of the Toyota-G.M. small-car venture in California.

Western industrial nations, in a major policy shift, agreed that the inflationary threat had passed and that it was now time to get on with task of promoting growth. The Organization for Economic Cooperation and Development, at a meeting in Paris that seemed dedicated to defusing problems ahead of the Williamsburg summit, urged countries that have licked the price spiral — Britain, the United States, Germany and Japan — to take steps to stimulate their economies.

O.E.C.D. officials have already taken steps to push aside the issue that clouded last year's Versailles summit — Soviet trade. While American leaders took a more conciliatory attitude at the Paris gathering to East Bloc trade, Western Europe agreed to deal with Communist countries without resorting to subsidies or other types of preferential treatment.

An issue on which no one agreed was French President François Mitterrand's call for a new monetary sys-

tem. The French leader surprised the O.E.C.D. with his plea for a new system in the spirit of Bretton Woods' fixed exchange rates — and he may do the same at the May 28-30 summit. But all indications are that he will receive a similarly cool reception.

Stock prices closed lower on the week as profit-taking pushed the Dow Jones average down 13.84 points, to 1,218.75. Auto, airline, retail and technology issues were all weaker. But Goldman Sachs, in an Investment Strategy update, said that the determinants of stock prices — the growing economy, accelerating production and fatter corporate profits — are still positive and that it's recommending maximum equity exposure and minimum position in bonds.

Interest rates moved higher as hopes for an easing of Federal Reserve monetary policy — and a discount rate cut — evaporated with a sharp \$4.2 billion increase in the nation's money supply.

Kaiser Steel rejected as inadequate a \$255 million takeover bid from Irwin Jacobs, and is looking for a better offer from either Mr. Jacobs or other "interested" investors. Kaiser said the Jacobs plan, which the Minneapolis businessman could have financed with the steel company's \$300 million cash holdings, exposed shareholders to risks but did not allow them to share in future growth.

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED MAY 13, 1983

(Consolidated)

Company	Sales	Last	Net Chng
Am Mot	8,078,500	10%	+ 3/4
Es Kod	6,529,300	74%	+ 3/4
Pen Am	4,365,700	6%	+ 3/4
ATT	4,103,000	67%	- 2
Exxon	4,027,800	34%	+ 3/4
Chrysler	3,933,500	27%	+ 3/4
Mobil	3,816,600	30%	+ 3/4
Pant Pr	3,318,700	6%	+ 1/4
Greyh	3,061,900	23%	+ 3/4
Schlmb	3,031,700	46%	+ 3/4
Gulf Off	2,927,100	36%	+ 1/4
Masey F	2,903,200	5%	+ 3/4
Signal	2,775,300	30%	+ 1/4
US Steel	2,763,200	24%	+ 1/4
Duke P	2,642,800	23%	+ 3/4

MARKET DIARY

	Last Week	Prev. Week
Advances	1,203	1,427
Declines	833	807
Total Issues	2,214	2,216
New Highs	614	652
New Lows	10	17

VOLUME

	Last Week	Year To Date
Total Sales	464,717,080	8,147,923,279
Same Per. 1982	288,329,009	4,914,399,845

WEEK'S MARKET AVERAGES

	High	Low	Last Change
New York Stock Exchange			

	Last Week	Prev. Week
Indust	110.6	109.9
Transp	90.5	89.8
Util	104.3	102.7
Comp	95.6	94.4

Standard & Poor's

	187.5	182.7	185.0	-1.36
400 Indust				
20 Transp	29.6	28.8	29.2	-0.17
40 Util	65.5	64.4	65.0	-0.09
40 Financial	21.1	20.5	20.8	-0.28
500 Comb	167.4	162.9	164.9	-1.20

Dow Jones

	1241.2	1204.8	1218.8	-13.84
30 Indust				
20 Transp	555.5	542.0	547.2	-4.21
15 Util	130.0	128.0	129.6	-0.50
65 Comb	486.1	474.8	479.0	-3.97

The American Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED MAY 13, 1983

(Consolidated)

Company	Sales	Last	Net Chng
DomeP	5,974,800	4%	+ 3/4
ChmpH	4,009,400	6%	+ 3/4
ImpCh	2,808,400	7%	+ 3/4
StrisR	1,242,400	16%	+ 3/4
WangB	1,132,800	40%	+ 3/4
GldFl	1,067,800	2%	+ 3/4
Ampt	1,064,800	5%	+ 3/4
NPatnt	945,300	21%	+ 4 1/4
Kidde wt	931,600	8%	+ 1 1/4
Cyprus	775,000	2%	+ 3/4

MARKET DIARY

	Last Week	Prev. Week
Advances	520	587
Declines	309	248
Total Issues	915	921
New Highs	283	257
New Lows	6	3

VOLUME

	Last Week	Year To Date
Total Sales	61,789,105	815,094,994
Same Per. 1982	22,985,825	400,181,720

The New York Times

Founded in 1851

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ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1983

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The Scourge of a New Disease

Acquired Immune Deficiency Syndrome is a strange and deadly new disease. Five hundred people have already died, half of them in New York City, and the epidemic is still gathering pace. Assuredly frightening, the disease has caused too much alarm among some groups at risk. But it also has caused too little in the Federal Government.

The mortality rate of AIDS is now 40 percent and may go higher. The incidence has doubled every six months since June 1981, when the disease was first recognized. A case a day was reported in the first half of last year, 2.5 cases in the second half. This year the rate is 4 cases a day.

By comparison, legionnaire's disease and toxic shock syndrome were novel epidemics whose cause and remedy were easy to identify. The causal factors of AIDS have so far proved baffling, and the transmissible agent, if there is one, remains elusive. Its victims, whose immune defenses are impaired, succumb to rare infections like the cancer known as Kaposi's sarcoma and an unusual kind of pneumonia. The disease attacks chiefly homosexual men, but also intravenous drug users, hemophiliacs and Haitian immigrants. The common factor that predisposes these groups to AIDS is a mystery.

New York's homosexual community has responded vigorously. It set up an advice center for victims, and in cooperation with blood banks has asked anyone with symptoms not to donate blood. It has raised money for research and recently sold out Madison Square Garden for a benefit. It has counseled its members to modify aspects of sexual behavior that may facilitate the disease.

Doctors and nurses who treat AIDS patients worry that the disease may be as infectious as hepa-

titis B. But no medical personnel are known to have caught AIDS, and the evidence points strongly to intimate contact as necessary for transmission. Hemophiliacs may have contracted AIDS from blood products, but since the many who used the same lot as the victims have remained healthy, the disease cannot be highly infectious.

The Government's Centers for Disease Control responded immediately to AIDS. It went to work a month after the disease was recognized and has monitored progress as well as it can, despite budget constraints. But the Federal research agency, the National Institutes of Health, has been less prompt. It has done little to mobilize biomedical researchers, despite the high theoretical interest of AIDS, and was slow to fund research in the field.

To compensate for N.I.H.'s inertia, Representative Waxman has proposed a \$40 million standby research fund for AIDS or other medical emergencies. The Reagan Administration, with inappropriate apathy, opposes the measure.

AIDS is no Andromeda strain: the epidemic will doubtless peak at some time of its own accord. But any comfortable supposition that it will stay confined to particular groups may be misplaced. Perhaps the Haitians, who say they are neither homosexuals nor drug users, exemplify how AIDS may spread to the general population.

In any case, the victims face a protracted and expensive illness with no certain outcome. They deserve more compassion from their Government and more resources for the sustained treatment and surveillance that might save them and others.

Yanquiology

What are the damn Yanquis trying to tell us? You might well ask if you were an embattled Salvadoran democrat.

You know in your bones that the war is going badly, that your army is a loose alliance of decent professionals and murderous warlords. Riding this tiger is an interim president, plainly a decent man, but he owes his office to the military.

You wish you believed all that talk about dialogue. But the guerrilla side is just as confused — five insurgent bands, with their own violent intrigues. They are formally led by your former democratic allies, who also ride a tiger.

You are now supposed to risk your life to talk with whom? And about what? How quick these American liberals are to make themselves feel better by putting strings on the aid they send. But note: they vote the money anyway so they won't be blamed if the guerrillas win. It's a pretty obvious game to demand that the President certify reform, human rights and now peace talks; they know the

Reagan people will certify anything to keep the dollars flowing.

How nice, then, if the Reagan team knew what it was doing. But what was it one of them said? Something like, "El Salvador won't be lost on this President's watch." Everyone up there, in other words, wants to look good, then let the next crowd cope.

And what is it their politics demands? Don't "lose" El Salvador and don't get involved in another Vietnam. No lose, no win.

The American commitment is threadbare and so is the American advice. Liberals preach negotiations, conservatives preach free elections. Neither group has much regard for the formidable obstacles to success.

You can only conclude that El Salvador won't be saved, or lost, in Washington. The outcome really depends on the grit and determination of embattled democrats like yourself.

And you would be right.

Landlords and 'Family'

Had Julia M. Weiss chosen to marry, or adopt, Jack Wertheimer, they could have lived happily ever after in her rent-controlled apartment. Because she didn't, Mrs. Weiss is facing eviction, and so, perhaps, are a lot of New Yorkers who live together without benefit of legal or blood ties.

Mrs. Weiss's lease (like most New York City leases) restricts occupancy to the tenant and the tenant's immediate family. Because Mr. Wertheimer is neither and because he was there without the landlord's permission, Milton Coleman, the landlord, tried to evict the couple.

A Manhattan Civil Court found that Mr. Coleman was thereby violating state and city laws forbidding discrimination in housing on the basis of "marital status." Last week the State Court of Appeals reversed that finding and ruled for the landlord. "Were the additional tenant a female unrelated to the tenant," the court said, "the lease would be violated without reference to marriage. The fact that the additional tenant here involved is a man

with whom the tenant has a loving relationship is simply irrelevant."

"I'm not against love," Mr. Coleman said. "But this has nothing to do with love." Mr. Coleman isn't against Mrs. Weiss either; he's willing to renegotiate her lease at another rent. Given the market for five-room apartments in Manhattan, it's safe to assume that rate won't be Mrs. Weiss's current \$550.

Money, then, not morals, is the issue with Mr. Coleman. But a landlord who did want to police his tenants' life style now has an opening to do so safely. Tenants married in all but name are being denied a right available to formally bound couples. So are those who can't afford or are afraid to live alone.

In a time when "family" has meanings far more various than those known to the architects of the standard New York lease, the court, however correct technically, has inadvertently exposed tenants to abuse.

The Human Rights Law can't do the job it was meant to do. What's needed now is an amendment that can.

Topics

Quackery for Cuba

The Reagan Administration dearly wants to barrage Cuba with propaganda beamed from Florida by a proposed Radio Marti. Fidel Castro threatens a nasty reprisal: regular jamming of American radio stations. Anxious broadcasters report that to calm their fears, Administration briefers offered a long menu of countermeasures, including "surgical strikes" against any Cuban transmitters that engage in jamming.

If this was casual bluster, it is irresponsible. If deliberate, it's threatening an act of war. If the broadcasters misunderstood, the Administration should say so, loudly.

Radio Marti is a gimmick, designed mostly for domestic effect. Much of Cuba can already hear commercial broadcasts from Florida, and the Government's Voice of America beams

Sounding Off

Spanish-language programs to the island. More belligerent propaganda won't do anything more than appease some right-wingers in the Reagan caravan.

This is not an enterprise that justifies "surgical strikes," and mere talk of them calls for something stronger than the State Department's oblique response that "It is not the policy of the Reagan Administration to bomb Cuba." In that case, is there a plan to send a MASH squad to bandage the transmitters, Christo-fashion? Or are surgeons to be sent to picket the offending installations?

The Lion Roars

The London Times, harrumphing, announced the other day that an auction gallery was a "national institution" whose "survival in its present

form matters to Britain." What prompted this remarkable statement was a bid by two brash Yanks, Stephen Swid and Marshall Cogan, to take control of financially troubled Sotheby Parke Bernet.

More remarkable still is the statement of the gallery's chief executive, Graham Llewellyn, about what he would do if the Yanks prevailed: "I shall blow my brains out." With respect, that seems extreme. British reserve isn't what it used to be.

Sotheby's years ago acquired Parke-Bernet, the leading American gallery, without provoking any such agitated language. We decline to believe that another change of management really matters very much. Oceans no longer divide the English-speaking world, as the Times ought to know. That great national institution recently passed from Canadian ownership to, yes, Australian.

Letters: On 'Bishops and the Bomb'

'First Step Toward Nuclear Weapons Reduction'

To the Editor:

Why is The Times going steady with the bomb when it doesn't truly love it?

Now that the House of Representatives has passed a nuclear freeze resolution and, indeed, passed it by a nearly two-to-one bipartisan margin, it is up to the Senate to determine whether or not the Congress should inform the President that it is our will that he negotiate a mutual, verifiable freeze with the Soviet Union as the first step in reducing nuclear arsenals and stopping the nuclear arms race.

The Catholic bishops have just contributed to the moral support of the freeze after a detailed, two-year study and after hearing from an impressively competent number of experts. The Times gave the bishops' recommendations the back of its hand in its May 6 editorial "Bishops and the Bomb," punching some holes in their 150-page analysis.

Even among those of us who agree with the bishops' conclusion, most will disagree with some of their recommendations along the way. But, on their fundamental conclusion, which you single out for flat disagreement, the bishops are right and you are wrong:

• You contend that "in supporting a nuclear weapons freeze, the bishops seem unimpressed of the risks that such negotiations, if successful, could end by freezing the existing nuclear instabilities and actually add to the risk of war."

Somewhat you cannot acknowledge that those of us who back the freeze view it as the first step, and only the

first step, toward nuclear weapons reduction on both sides. The bishops, like other advocates of freezing nuclear weapons, do not for a minute assume that the freeze will end the



Bob Gale

terrible threat of a nuclear holocaust.

We recognize that at this very moment, without constructing one more nuclear weapon, each of the superpowers has the capability of utterly destroying the other as an organized society. The freeze, by itself, left alone, would continue this dangerous prospect, so the freeze is only the beginning. We want to stop the arms escalation and then reduce nuclear arms.

'The Question Pure Moralists Have to Face'

To the Editor:

I was much impressed by your editorial on the Catholic bishops' latest statement on nuclear arms.

We all share their profound concern with regard to the danger of nuclear catastrophe, but if the Europeans and the United States are not prepared to support the huge increases in defense budgets which will be required to match the Soviets in conventional weapons, a credible nuclear deterrent is essential to avoid war or the more likely outcome of defeat without war.

The pure morality of the bishops' conclusion that no deliberate attacks on civilians are acceptable is on its face admirable. This would, of course, have ruled out the use of atomic weapons against Japan in World War II, even though bringing about its surrender by conventional forces would undoubtedly have cost far more lives.

But putting the nuclear question aside, the bishops' position would have condemned the fire bombing of Dresden, in which 40,000 civilians were killed in one night, and of Hamburg, in

which 80,000 were killed in two days and nights of bombing. The question which the pure moralists have to face up to is whether allowing Hitler to prevail would have been more moral.

In the final analysis, of course, the question we all must address goes far beyond the control of production and deployment of nuclear weapons. Even if the Soviet Union and the United States agreed to cut their nuclear arsenals in half, we could still have a hell of a war if we failed to resolve those political differences that might result in armed conflict.

I trust that the sane and persuasive tone of your editorial gets through to well-intentioned idealists who can not face up to the fact that we live in a real world in which the bomb is not going to go away and in which we must redouble our efforts to reduce our differences with the Soviet Union if possible. Where that is not possible, we must find ways to live with them rather than to die over them.

RICHARD M. NIXON
New York, May 6, 1983

'A Statement They Did Not in Fact Make'

To the Editor:

Your editorial was most unfair, even accusing the bishops of making a statement they did not in fact make. Your criticisms, and my responses, follow:

• The bishops "characterize any use of nuclear weapons as immoral," and thus undermine deterrence.

The bishops are "highly skeptical" that any use of nuclear weapons could be kept limited, and thus morally acceptable. But they do not utterly rule it out. A proposed amendment by Archbishop Quim, of "opposition on moral grounds to any use of nuclear weapons," was not adopted.

• The bishops oppose targeting of Soviet cities.

Anyone realizes that in war some civilians are likely to be killed when military targets are attacked. The bishops accept that, in proportion. But they do insist that deliberate, direct killing of noncombatants is, in Cardinal Bernardin's words, "murder." If this cripples American deterrence policy, Secretary Weinberger at least does not think so. In his words, "under no circumstances may such weapons be used deliberately for the purpose of destroying civilian populations."

• The bishops support a freeze, which allegedly "could end by freezing the existing nuclear instabilities."

Reasonable people differ on this point. The Times's opposition to the freeze is by now familiar. Others of us believe that a freeze would prevent new instabilities by forestalling deployment of new, destabilizing weapons systems: MX, Pershing II and additional Soviet MIRVs.

• The bishops repudiate first use of nuclear weapons.

Many Europeans do disagree with this recommendation. But strategic authorities such as McGeorge Bundy, George Kennan, Robert McNamara and Gerard Smith agree with the bishops that a first-use policy poses unacceptable risks and is unnecessary, given time to erect adequate non-nuclear defenses.

In these views, the bishops are not ambiguous, nor are they "straying far from the prevailing theories of the arms control community."

BRUCE M. RUSSETT
New Haven, May 6, 1983

The writer, professor of political science at Yale University, was principal consultant to the bishops' committee preparing the pastoral letter.

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

'We Must Go Beyond Measuring Megatons'

To the Editor:

The Times bombed the bishops in its editorial. Let me quote some phrases:

"They thus come perilously close to an undesirable involvement of the church in political action." How else to deal with a moral evil under control of political power? The purpose of the separation of church and state is to enable the church to be critical of the state; such criticism is politics.

"The obvious contradiction is that a weapon that can in no circumstances be fired cannot very well deter an attack." Here you go to the heart of the problem, without realizing it.

The contradiction is not in the letter in which the bishops "reluctantly accept America's possession of nuclear weapons to deter" nuclear attack, but characterize their use as "immoral"; it lies in the moral jungle into which our nuclear strategy and Russia's response to it have led us.

There is no answer to the predicament unless we venture into a totally new category of thinking, a new dimension of understanding that the nuclear

• You seem to concede this, but then dismiss it as an impossible dream in your next objection: "The American bishops' approach falters on the assumption that the nuclear dilemma can eventually be resolved by eliminating rather than controlling nuclear weapons. But there is no known way to get rid of The Bomb, no way to guard against all possible production or concealment of warheads."

Here we go to the very heart of the problem of the freeze: We cannot enforce it. We cannot verify it. We think the Russians will cheat. They think we will.

Now, of course, there is risk and very big risk — no matter what course we pursue. But both sides have abided by limited restrictions in the arms race when we have enforced them with adequate monitoring and compliance features.

Could we envision an inspection system that would enforce the virtual elimination of nuclear weapons? It would have to be extraordinarily rigorous. It would have to permit irregular as well as regular inspections. It would have to include on-site inspections. And even then it might not work. But it might.

The argument that we cannot virtually eliminate nuclear weapons because we lack verification is just as strong against your alternative of trying to control nuclear weapons: any arms-control agreement worthy of the name will require rigorous inspections and verification. If we cannot negotiate that kind of inspection for a freeze, why should we believe we can negotiate it for any genuine limits?

As realistic and hard-headed an intelligence expert as William Colby, the former head of the C.I.A., has within the last month declared his support of the nuclear freeze. He has asserted his judgment based on years of experience as this nation's top intelligence expert. Does William Colby understand our intelligence capability and the Soviet threat less than Times editorial writers?

• Finally, you argue: "Too much reduction could add to instability." Oh, how George Orwell would love that prize example of Nukespeak. What a threat! The Soviet Union and the United States would so sharply reduce their nuclear arsenals that we would have a less stable, more dangerous world.

Does this mean The Times has learned to "love The Bomb"? Not quite. In the next paragraph you deny that. But you sure seem to be holding hands with it, giving it a loving squeeze now and then, and looking forward to a cozy future keeping company with The Bomb.

WILLIAM PROXMIER
U.S. Senator from Wisconsin
Washington, May 6, 1983

'The Cost of This Morality Is Civilization Itself'

To the Editor:

Your editorial deserves commendation. You rightly point out the divergent views of the German and French bishops, surely of equal theological acumen, whose people would be the first to suffer if several of the U.S. hierarchy's recommendations were followed. You call the bishops' "fusion of theology, morality, strategy and politics" in the document "curious," probably because the overlong statement lacks the overall intellectual consistency that might have been expected.

Your editorial, in a very brief space, has more sense of what is meant by "politics" than can be found in the document itself, more insight into what we must deal with, how to prevent in fact these weapons from being used, some realistic notion of this nation's enemies and how they think and act. The core of the problem is that, unlike politicians, bishops have no real public

responsibility. Cardinal Lustiger of Paris put it well recently when he spoke of people who do not believe that anything will really happen to them. Politicians cannot afford this luxury.

In seeking to give us a world "absolutely" free of the bomb, the bishops have apparently given us rather a world which can prevent neither the bomb nor tyranny. In not realizing that mankind has to "learn to live with" the bomb, they have given us a new "morality," which sees evidently nothing worthwhile except avoiding the bomb. The cost of this morality is civilization itself.

If, as you say, the bishops' "sense of moral challenge is admirable," some of us find that your sense of moral response to this challenge is even more admirable.

JAMES V. SCHALL, S.J.
Associate Professor, Department of Government, Georgetown University
Washington, May 7, 1983

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WASHINGTON

Kissinger
At
60

By James Reston

WASHINGTON, May 14 — Henry Kissinger will be 60 this month, which is surprising, since he seems to have been an elder statesman ever since he was 40.

Former Secretaries of State are supposed to write or at least edit one book and then depart into the opulent obscurity of some business or law firm. But not Henry.

He created his own business — Kissinger and Associates — and is in a way sort of a one-man university. You always know when some new avoidable outrage has happened, for there is Mr. Kissinger on the tube explaining in his amiable growl how it might have been avoided.

There are people in Washington who wouldn't notice, let alone praise, him on his 100th birthday. Among these are not a few of his envious former academic colleagues who will never forgive him for climbing higher and writing better than anybody since Dean Acheson. But occasionally Mr. Kissinger forgives them, which is what really makes them mad.

His birthday is recalled here, not mainly to remember his accomplishments or forget his mistakes, but to note the contributions he and many other former officials make to the well-being of the nation.

Presidents and Secretaries of State and Defense are now confronted by so many intricate problems abroad and so many absurdities on Capitol Hill that they have no time to handle them, let alone to think steadily about them.

Meanwhile, the jet airplane and the scrambler international telephone have often proved to be instruments of publicity and escape rather than of sound diplomacy, and they have diminished the role of our ambassadors overseas, which is not necessarily a bad thing, considering the political and financial reasons why so many of them were appointed.

Accordingly, when problems call for sustained analysis and negotiation, Presidents increasingly have had to call back the experienced old hands to help out. Woodrow Wilson had his Colonel House, President Roosevelt gave Harry Hopkins a bedroom in the White House, and other Presidents have used the outsiders in a more orderly fashion.

Thus, former Ambassadors Ellsworth Bunker and Spiro Agnew were summoned by President Carter to bring the Panama Canal treaties to a successful conclusion, a result that didn't amuse Ronald Reagan.

It may be hard to imagine, but the tangles of the Middle East would undoubtedly be worse than they are today if Ambassador Philip Habib hadn't come out of "retirement" to help unravel them.

Paul Nitze, formerly of the State and Defense Departments, is now, at 75, presiding over the intermediate nuclear weapons negotiations with the Russians in Geneva, and President Reagan is turning more and more to commissions of experienced former officials to help win the confidence of Congress and the public.

This he did successfully in finding a compromise for the Social Security problem, and he turned to Brent Scowcroft, a former assistant in the White House for national security affairs, in order to get a consensus on future nuclear weapons policy.

There are several advantages to this technique. It helps provide continuity. By bringing in the elder statesmen who have gone over the ground before and are beyond ambition (Mr. Kissinger excluded), it minimizes the suspicion of political or personal motivation.

Also, many of these men have been out among the people since retirement and are not so influenced by the day-to-day Washington preoccupations of the presiding officers. The revolving door has its uses.

We have had six Presidents and seven Secretaries of State since 1980, each of whom has come to power tending to believe he has an answer, overlooked by his predecessors, to our problems.

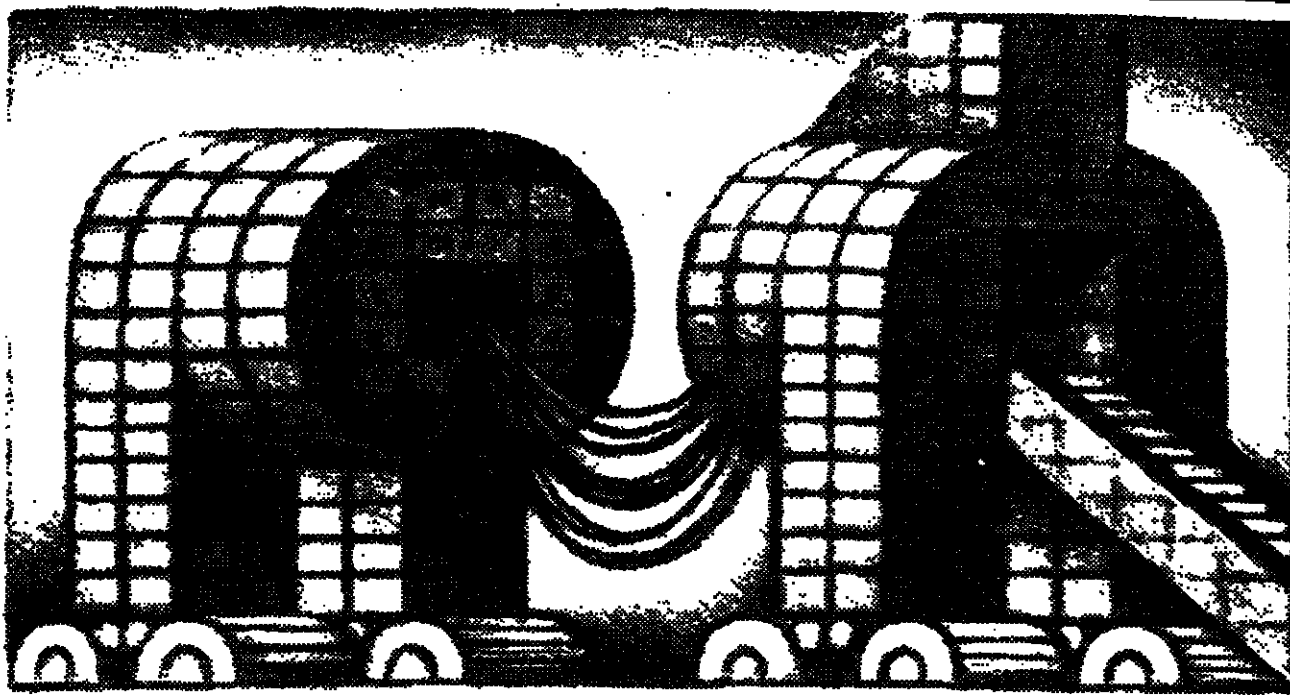
But the problems of Central America, for example, are not entirely new (we have been sending in the marines for generations), and the fact that the old boys didn't solve them in their own time doesn't mean they have learned nothing from their mistakes.

The same thing is true of our endless negotiations with the Russians over the control of nuclear weapons. In the days of Acheson and Lillenthal and Baruch, some of them even thought it might not be a bad idea to get rid of nuclear weapons. The only difference now is that the problem is more serious.

It's interesting, but not surprising, that Mr. Kissinger wasn't brought in more by his own party under Mr. Reagan. He is consulted occasionally, but they want him on tap and not on top.

It's not because of his advice or his modesty. Some criticize and even hate him for his role in the Vietnam War. Others reject his version of the history of his days at State and the White House. He has a sense of history and a sense of humor, often at other people's expense, and he doesn't suffer fools gladly, a grave weakness in a capital that has so many of them.

In short, Mr. Kissinger's too hot to handle, even at 60. But as somebody once said, Henry is the only Secretary of State two Presidents have served under. Maybe it was Henry who said that, which may help explain the mystery.

High Tech,
Low Hopes

By Richard McGahey

As unemployment remains stuck at the highest level in 40 years — 10.2 percent — everyone from President Reagan to the liberal "Atari Democrats" hopes that economic recovery will emerge from expanding service and high-technology industries. But instead of bringing economic salvation, lower paying service and high-tech jobs may be a Trojan horse, bringing continued declines in the quality of American life through polarized incomes, growing poverty and increased class tensions.

The shifting American job market is already polarizing wages and income, contributing to the highest level of poverty since 1967. Service and high-tech jobs may be adding to this poverty instead of curing it, for they pay less and offer less mobility than older manufacturing jobs. And these jobs may not increase during the 1980's, making them an unlikely solution for the employment problems of minorities, women and displaced manufacturing workers.

Most new jobs in the last decade have been white-collar, and this has been heralded as a shift from physical work to highly skilled "head work." But the color of the collar doesn't tell you about the quality of the job: computer programmers and computer operators, lawyers and legal secretaries, bank executives and bank tellers — all are white-collar workers, with large pay disparities between the jobs. Computer programmers earn 1.8 times as much as computer operators; lawyers across the country average more than twice the weekly pay of legal secretaries; and bank officers are paid 2.2 times the weekly salaries of tellers. More than 60 percent of the service jobs in New York City pay salaries below the Bureau of Labor

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Statistics' living standard for a low-income family of four, while 25 percent of full-time service workers earn less than the poverty level.

Across America, the same holds true for high-tech manufacturing work. Dazzling high-tech factories are designed by highly paid professionals but are staffed by low-skilled, low-paid workers. Computer assemblers earn about 70 percent of the hourly wage of auto workers. In California's "Silicon Valley," the heart of the semiconductor industry, starting wages for engineers grew 33 percent between 1974 and 1978, while wages for beginning production workers grew only 7 percent. And unlike older unionized manufacturing industries with their promotion ladders, on-the-job training programs and collective bargaining agreements, the new industries do not offer much promise of upward mobility.

Nor are the new industries likely to go on growing as rapidly as they did in the 1970's. Many fields can no longer provide places for growing numbers of job-seekers — in 1981, 52,000 Americans searched for an estimated 24,000 entry-level computer programming jobs. And the low-skilled nature of many new jobs makes them vulnerable to technological displacement and foreign competition — as the transfer of Atari Inc. from California to Taiwan reminds us. A study by the United Nations' International Labor Office claimed that the expansion of micro-electronics resulted in "a substantial loss of jobs" that "will accelerate in the 1980's."

This changing labor market compounds the problem of disadvantaged groups, especially minorities and women. Black males remain locked in the lowest paying white-collar jobs even as they have upgraded their educational standing. The United States Commission on Civil Rights found last November that 37 percent of black males are overeducated for the jobs they hold. And while women filled nearly two-thirds of jobs created between 1972 and 1980, they had little job choice. The new jobs for women were concentrated in 5 percent of all occupational categories, and more than 60 percent of all minimum-wage workers are women. Services account for 7 of the 10 lowest paying American industries, and women constitute 41 to 82 percent of production workers in these fields.

In the five top-paying industries, women account for only 5 to 15 percent of the workforce. Clearly, the service sector will not provide a cure-all for the poverty of blacks and women. These already underemployed minorities and women now confront competition from newly displaced manufacturing workers, many of whom will never regain their old wages and status. Older blue-collar workers often face a 50 percent cut in hourly pay when moving to service jobs. And displaced manufacturing employees will be hard-pressed to find work as growth slows in the new sectors.

These limits to opportunity may well be socially divisive. Service and high-tech industries produce polarized pay scales and working conditions — well-paid, secure employed professionals at one pole, and low-paid workers in episodic, labor-intensive jobs at the other. Such a polarized service and high-tech future could be social dynamite.

By Richard E. Feinberg

WASHINGTON — The Reagan Administration should not proclaim loudly that United States vital interests and credibility are at risk in Central America unless it is fully prepared to act. Before our honor is committed, Americans should know to whom it is being pledged. Most important, the Administration needs to decide what it is committed to opposing. Is it determined above all to fight leftist ideology or to contain Soviet power?

The President has asserted that "the political and strategic stakes" are as great in Central America today as they were in Europe after World War II. Yet he has repeatedly stated that he has no intention to send combat troops to Central America. This reluctance contrasts sharply with our policy in other regions where we have staked our vital interests. In Western Europe, Korea, Japan and the Persian Gulf, we either maintain troops or have announced our willingness to send them. The Administration's rhetoric should match its means. It should not declare vital interests unless it is willing to commit the resources to defend them.

The President has also warned that the United States' global credibility is at stake in Central America. Certainly, our allies' faith would be shaken if we were to stand by helplessly while the Soviet Union or Cuba invaded a Central American republic. But most European and Latin American governments consider the struggles in Central America to be essentially indigenous. In their view, the undeniable flow of arms from Nicaragua to the Salvadoran rebels does not change the primarily domestic nature of their fight.

If our alliances are truly at risk, the Administration should be paying more attention to the counsel of its allies who have been urging negotiated resolutions to the region's conflicts. It makes no sense to argue that our global credibility requires that we ignore our allies' advice.

In El Salvador, the Administration's commitment goes beyond the defense of national sovereignty to the protection of a regime. But to which wing of the Salvadoran regime are we committed? To the Christian Democrats? To the army high command? To the authoritarian militarist, Roberto D'Aubuisson, who is the president of the National Assembly? These are not academic questions, since the coloration of the coalitions in San Sal-

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What U.S. Stakes?

vador has been shifting regularly since the turmoil began in 1979.

The Administration is most unclear about what it is fighting. The United States still has a chance to drive a wedge between socialism and Sovietism in Central America. The President has publicly blurred the distinction with talk of "preventing Communist victory." A National Security Council memorandum recently leaked to the press provides insight into Administration thinking. It noted that we have "an interest" in "creating and supporting democratic states"; but we have "a vital interest" in "eliminating Cuban/Soviet influence in the region." As the use of the word "vital" indicates, the priority is geopolitics not ideology.

Yet the document obscures the distinction by assuming that Central American leftists are naturally Soviet clients. The Sandinists' pro-Soviet tilt has made this assumption more plausible. But this tilt was neither inevitable nor irreversible. Moscow's recent refusal to help finance Nicaragua's economy has weakened would-be Soviet servants within the Sandinist directorate. As Yugoslavia, Algeria

In Central America

and Tanzania suggest, socialist nations can be genuinely nonaligned. Nationalism and fear of Soviet manipulation cause many third-world leaders to choose independence.

If geopolitics is our primary concern, we should follow Mexico's advice that the best strategy for lessening Soviet opportunities in Central America is to tolerate and even welcome leftist nationalism and seek to assuage fears of American hostility. If governments do not fear for their safety, they will be less likely to turn to the Soviet Union or Cuba for protection. To foster Nicaraguan nonalignment, the United States should promote negotiations between Nicaragua and its neighbors and end the covert activities in Honduras. To further moderate the regime, the West should maintain trade and financial links with Nicaragua.

The President has warned Congress that it would bear responsibility if it fails to meet our "obligation" in Central America. Congress is correct to balk until the Administration cleanses its policy of inconsistencies and ambiguities and defines more carefully the nature of its commitments. A more modest policy — one that paired clear objectives to limited resources — would surely have a better chance of gaining the bipartisan support that a successful Central American policy will require.

ABROAD AT HOME

Who Lost China?

By Anthony Lewis

BOSTON — The tactical elements of the Reagan policy in Central America are now clear. The Administration aims to isolate Nicaragua in the region, harassing the Sandinists by covert war and economic pressure; to support the Governments of Guatemala and El Salvador no matter how murderous they are, and to smear as pro-Communist anyone who disagrees with the policy.

The domestic political threat is an important part of the package. Congress is restive about Central America, and a touch of McCarthyism may help keep it in line. Thus Jeane Kirkpatrick, point woman for the policy, said: "There are people in the U.S. Congress who do not approve of our efforts to consolidate the constitutional government of El Salvador and who would actually like to see the Marxist forces take power in that country."

The tactic of scaring political critics may be effective in the short run. What Democrat wants to defend himself against the charge that he favors "the Marxist forces," or against a future charge that he "lost El Salvador"? But the prospect on the ground in Central America is very different.

Isolate Nicaragua? The chance of doing that by running a guerrilla war against the Sandinist Government and cutting its quota for sugar sales to the U.S. is zero. Those tactics will be seen by Latin Americans from left to right as Yankee imperialism.

Latins remember past U.S. intervention in the region too well. They remember that we put the corrupt and vicious Somoza family in power in Nicaragua. They remember that a C.I.A. operation overthrew the legitimate government of Guatemala in 1954, sending that poor country into decades of tyranny and instability. No, crude displays of Yankee muscle will only evoke sympathy for the Sandinists. If anyone is isolated, it will be the United States.

Over the years the United States has repeatedly tried to hold back political and economic change in Central America by supporting oligarchs. But the tactic does not work. It does not bring the stability we seek, much less democracy. So one student of the history has just pointed out in a cutting comment on the Reagan policy.

"The issue is stability" in Central America, he wrote, "and stability depends, as it has for 20 years, upon a reallocation of power...."

"Nicaragua, El Salvador and Guatemala have always been characterized by oppression — oppression which has been generally nourished by the U.S. Their transition to democ-

racy is a tortuous process, probably requiring revolution. If we oppose that revolution, we will lose and will push the winners into the hands of the Russians and the Cubans."

Before Ambassador Kirkpatrick reaches for her cleaver, I should say that the author of that comment was George C. Lodge of Boston, the son of Henry Cabot Lodge.

The U.S. situation in Central America today is often compared to Vietnam. But the episode called to mind by the Kirkpatrick-Reagan tactics is the "loss" of China, as the rightists of the 1950's referred to the establishment of the People's Republic.

In China we wanted to stop revolution instead of dealing with the economic and political reality on the ground. Then we set out to isolate Mao's regime — and for 25 years isolated only ourselves. And, most fatally, the right-wing ideologues fought their political war by branding as traitors all who disagreed with them. They drove the serious China scholars out of public life, and by that "victory" crippled America's ability to deal with the Far East for a generation.

It is down that same road that the Reagan Administration wants to take us in Central America: the road of blindness to facts and resistance to change. And it wants to push us down that road by political scare tactics that will divide and weaken the United States.

There are no easy answers in Central America. But at least, now, we should be able to avoid the worst mistakes of the past, especially the notion that we can act effectively abroad by methods that violate our own ideals. Walter Lippmann made the point 22 years ago after another attempted U.S. intervention: the Bay of Pigs.

"A policy is bound to fail," Lippmann wrote, "which deliberately violates our pledges and our principles, our treaties and our laws.... The American conscience is a reality. It will make hesitant and ineffectual, even if it does not prevent, an un-American policy.... In the great struggle with communism we must find our strength by developing and applying our own principles, not in abandoning them...."

"We have used money and arms in a long losing attempt to stabilize native governments which, in the name of anti-communism, are opposed to all important social changes. This has been exactly what [communism] dogma calls for — that communism should be the only alternative to the status quo with its immemorial poverty and privilege."

To Yuri Andropov:

You may remember us.

We remember you, so we feel compelled to speak out on behalf of our brethren in the Soviet Union, to caution the rest of the world.

What you did to us, you are doing on an escalating scale to Sakharov, Scharansky and countless others who dared to support the cause of human rights, disarmament and good will towards Soviet minorities.

What threat could dedicated patriots like Sakharov and Orlov pose, unless your government's intentions are other than what you profess?

If your appeal for peace and detente is not to be met with cynicism, you must first establish detente with your own citizens, and make peace with the peoples of the Soviet Union by loosening, and hopefully, eliminating the shackles that bind them.

Would you honour a non-aggression treaty any differently than you have honoured the Helsinki Accords or, for that matter, the Soviet Constitution?

Any government that does not trust its own people, cannot itself be trusted!

Vasily Aksyonov
Liza Alexeyeva
Vladimir Bukovsky
Alexander Glezer
Natalya Gorbanevskaya
Petro Grigorenko
Zinaida Grigorenko
Lev Kopelev
Eduard Kuznetsov
Pavel Litvinov
Cronid Lubarsky
Vladimir Maximov
Ernest Neizvestny
Galina Panov

Valery Panov
Vladlen Pavlenkov
Leonid Plyushch
Arkadi Polishchuk
Oskar Rabin
Mstislav Rostropovich
Nadia Svitlychna
Leonid Tarassuk
Valentin Turchin
Tomas Venclova
Yakov Vinkovetsky
Galina Vishnevskaya
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Nadine Gordimer's South Africa on Film

By JOSEPH LELYVELD

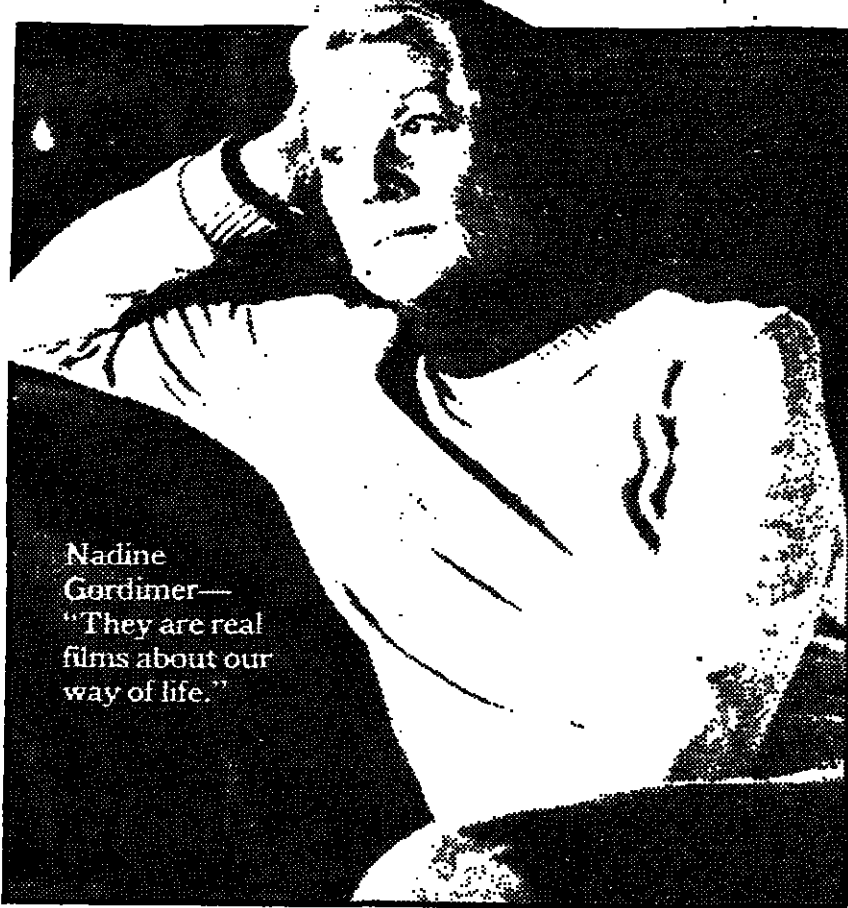
Nadine Gordimer, South Africa's foremost novelist by any serious literary reckoning, was not bowled over when a producer of educational television films from Munich appeared on her doorstep in a seclude white neighborhood with a proposition for putting some of her short stories on film. Earnest visitors from the west, with a sudden urge to get involved in the intense morality play that is everyday reality here, show up occasionally in Miss Gordimer's fiction and more frequently in her life; typically the impulse that brings them expires with their visas.

A conditioned response of not expecting very much, rather than any lack of interest in seeing what could be done with her work in film, led the novelist to attach little importance to the German's visit. In fact, her interest in film was more than passing; her son is an aspiring filmmaker in New York and she herself had collaborated on a brief documentary with another filmmaker in the family, her husband's son-in-law, later encouraging him to make a short, virtually no-budget feature out of one of her early stories, "Six Feet of the Country." But there had also been some fruitless talks with American producers who turned out to have neither the backing nor grasp of her work to make anything of their grandly sketched projects.

"The thing I dislike about films is the big talk, the hot air," she said in a conversation over tea in her living room. "I'm not used to that. As a writer, you just sit down with your bit of paper and when it's finished, you take it to the publisher. At least, that's how I work."

Unexpectedly, however, the producer from Munich returned with enough backing to start shooting some of the films they had discussed. Even more important, he was still prepared to give legal force to stringent conditions she had set: that the directors and authors of the screenplays would be South Africans of her choosing; and that the series, once finished, would have to be sold in its entirety and shown without cuts by any broadcasting company that purchased it for television, a condition that effectively ruled out the state television monopoly in South Africa.

The six films by six different directors are being shown by a syndicate of European television stations and now will be screened at the Film Forum in New York City from Wednesday through May 31 along with the earlier, shorter "Six Feet." Taken together,



Nadine Gordimer—
"They are real
films about our
way of life."

they are an honest and generally compelling reflection of Nadine Gordimer's South Africa, thanks to the artistic control she kept on the project. Anyone familiar with the special attributes of a Gordimer story—the clarity of voice, the almost merciless quality of an intelligence that digs beneath the ironic contrasts that are everywhere here to deep substrata of pain and guilt—will recognize that this is no small accomplishment.

It's less of a tribute—given the undeveloped state of filmmaking in this country, in part due to the constraints at the disposal of officials who determine who may see what, when they may see it and where—to say that the series almost certainly amounts to the strongest portrayal of South Africa that has been filmed. "They are real films about our way of life," the novelist said, looking back. "From that point of view, I think these little films have got some meaning in this country." Each was made at a cost that could be considered low for a spot commercial, the total outlay for six films coming to about \$1 million. Miss Gordimer is the first to acknowledge that, individually and as a series, they are uneven in quality and occasionally amateurish. But the mosaic they com-

pose—from small dramas turning on big themes such as love and betrayal across the color line, the presumption of liberals or the moral disaster of bush war—has the look and feel of South Africa.

Not surprisingly, all the stories touch on race issues—an obsession not of the writer but the country and therefore an ineluctable theme—but the focus shifts from white to black, urban to rural and, more subtly, from innocence to entanglement in the underlying conflict. The German producers, at first, wanted to pick stories that were as overtly political and contemporary as possible. Miss Gordimer held out for more of a mix, suggesting several stories from early collections. "They wanted to pick stories all of the same kind," she said, "and my idea was, first of all, to show the complexity of this society, which is reflected in stories that I've written over 30 years, at different stages of understanding where I live."

Outsiders unfamiliar with the ambiguous interplay of authoritarianism and freedom of expression in South Africa may find it hard to believe, once they have seen the Gordimer films, that they could have been

shown, let alone made, here. But five of the six were, in fact, filmed in authentic settings and passed by the censors uncut for showing, to audiences that were at least nominally multiracial, at film festivals under licenses that set an age restriction on the audience and limited the number of times they could be shown to three per festival. "It reminded me very much of Wajda's experience in Poland," Miss Gordimer said, banishing any suggestion that the screening of her films might be a modest sign of cultural freedom in South Africa. "It is exactly what happens there. What they do there is the authorities say you can show 'Man of Iron' but only in a cinema that doesn't hold more than 300 people and only so many performances. So only a very small number of people can get to see a film."

In fact, the South African system makes it necessary to reapply to the censors for a permit for each film festival. Now it is apparently being tightened to insure that films that are deemed unsuitable for general release won't slip through at festivals, as the Gordimer films have. Under the new system, three of the films that will show in New York—"Country Lovers," "City Lovers," and "A Chip of Glass Ruby"—have already been banned for general release. "Chip," a portrayal of the tension in an Indian family between traditional values and modern political activism, would normally be regarded as the least likely of the three to be banned. But when one of the producers took the ban on appeal without a lawyer, it was upheld, which means it cannot even be questioned again for two years. "Poor 'Chip.' It is quite dead," Miss Gordimer said, referring to its prospects in South Africa. There is still a slender hope that the other two films that have been banned may get by on a well-argued appeal, even though they deal explicitly with violations of the Immorality Act, the law that makes sex between a white and a nonwhite a crime.

"People say, How did you make them? How did you make 'City Lovers'?" Part of the answer is no publicity," Miss Gordimer said. "We really did them very, very quietly." South African audiences of any hue would be stunned to see a white woman kiss a black girl in the setting of a farm in the rock-ribbed Orange Free State as happens in "Country Lovers." Miss Gordimer admits to having been slightly shocked herself when Manie van Rensburg, a rising young Afrikaner director to whom she entrusted her screenplay, told her he had arranged to shoot it on location on an actual Free State farm. Filming was briefly halted when the owner discovered the movie's real theme, but

then the director argued with him through a long night, as one Afrikaner to another, finally persuading him that it was not slurring his people to deal honestly with a subject that they know to be part of their hidden history. "Only an Afrikaner director could have done it," Miss Gordimer said. "Manie's an Afrikaner to the last fingernail. But they had to go through the whole history of the Afrikaner people."

In "City Lovers," it isn't the brief bedroom scenes between an improbably matched foreigner of late middle age and a lovely young woman of the mixed-race group called coloreds that might shock audiences. It's the unsparing manner in which the film portrays the plainclothes policemen who finally catch them in a raid, showing that the real obscenity is in the thugish and cynical enforcement of the law.

That is one point at which the films reach a documentary effect. In "A Chip of Glass Ruby," there is an episode in which it wasn't necessary to

ment crowd didn't come along with their bulldozers on the first day of shooting, so that is the real thing. And, indeed, the house where we shot our first scene, that very week it went down."

If it were necessary to assign a conversational style to Miss Gordimer, it would be forthrightness; only, of course, it is more than a style. It is a quality of mind, unflinching and disciplined, that is reflected in her art. Women of her disposition sometimes show up in her fiction and, occasionally, the reader senses an element of self-caricature as when she described, in a story written nearly three decades ago, a black man puzzling over the phenomenon of such "bristling, sharp, all-seeing, knowing women." That isn't really Nadine Gordimer but, having never stopped looking hard at her society, she still sometimes bristles, a trait that can be warm and appealing in someone recounting a community's demolition.

The conditions she placed on the making of the films involved her much more deeply in the project than she ever imagined she would be. In fact, it absorbed a year of her writing life. The only person she would trust to write the screenplays besides herself was Barney Simon, a protean theatrical and literary figure in Johannesburg who also directed "City Lovers." When Mr. Simon was finally overtaken by his numerous commitments, Miss Gordimer found that rather than writing two or three screenplays herself, she had actually agreed to write five (one of which was never filmed.)

In South Africa, the reaction to the films seems to have been somewhat mixed, as it is here to much of her work. People argued over whether her stories and novels are true to the situations that inspired them, which they easily assume they knew, or whether her style is too difficult. An outsider senses that she is undervalued by readers who have to live through the ambiguities and communicate across the social voids she describes. The problem of having to decide whether she is really writing about their own lives seems to get between them and her fiction as it does not for readers in the United States or Britain who, having their own ambiguities and voids, can recognize that her themes reach far beyond the suburbs of Johannesburg.

All the stories touch on race—an obsession not of the writer but the country

Are Video Games About To Zap the Action Movie?

By VINCENT CANBY

More and more these days one attends to the mayhem within an action movie with impatience, as if watching other people play video games, which, when the history of entertainment is written, may turn out to be the breakthrough of our era. Old-fashioned movies can't easily compete with the wizardry that, for a small price, allows anyone to be the hero of his own action epic.

One sits in the dark of the movie theater and squirms helplessly at each successive encounter with the enemy, dodging missiles in "Star Wars" and dried bones in "Conan the Barbarian," reaching for weapons that aren't there, cheering a direct hit on the opposing forces and feeling exhausted at the end, if not necessarily satisfied. This has always been true of certain kinds of movies, but now that more and more movies look and sound like video games, and now that more and more video games look and sound like movies, it seems possible that the new art form might well swallow up the old.

If the principal point of an action movie has always been to afford the viewer the vicarious pleasure of being

up with the sort of conspiracy plot that was so popular in the paranoid 1970's: Some remarkably self-assured representatives of what used to be known as the military-industrial complex plan to start race riots in order to demonstrate the effectiveness of the Blue Thunder in controlling restless civilians. Frank Murphy, while taking the Blue Thunder out for a trial spin, just happens to fly by the building where the plotters are plotting. He understands their awful designs and spends the rest of the movie trying to convince his superiors that something evil is afoot.

One of the ironies the film makes nothing much of is the fact that Frank is able to discover this plot only with the help of the Blue Thunder's advanced monitoring devices.

The screenwriters make obligatory attempts to establish Mr. Schelder's character as something more than a function of the plot, which it isn't. Frank Murphy, as we are shown several times in comically intrusive flashbacks, is haunted by his memories of Vietnam, especially by a traumatic experience that forever links him to the arrogant colonel played by Mr. McDowell.

An explanation of just what happened in Vietnam, which is one of the film's two extremely dim mysteries, is withheld until the end in order to justify Frank Murphy's strange, almost psychotic behavior. He's unreliable not only on the job but with a young woman (Candy Clark) who turns up with a child from time to time to tell him that she loves him. In addition to the Air Force colonel, the only other characters in the movie, none more substantial than an electronic blip, are Murphy's faithful sidekick (Daniel Stern) and his tough, crusty but understanding police captain, played by Warren Oates shortly before he died last year.

All of this, however, is simply decoration for a movie whose main reason for being, obviously, is not to explore character, Vietnam, fascism or urban problems, but to allow the members of the audience to participate in the action, and the action isn't bad. In the very long climactic sequence, Mr. Schelder, at the controls of the Blue Thunder, flying high and low over Los Angeles, is called upon to face attacks by Air Force fighter-jets equipped with homing missiles and a one-to-one encounter with Mr. McDowell at the controls of another chopper.

Though this sequence has been comparatively well photographed and edited, "Blue Thunder" is so lacking in conviction and style in every other way that, at the end, the viewer is less likely to feel exhilarated, as he does after something as winning and witty as "Raiders of the Lost Ark," than nerve-racked.

What's missing is the feeling of being in charge—that in control—that one would have if "Blue Thunder" were a real video game and not just a big-screen imitation. One watches the film with a certain amount of awe for the efforts being made by the moviemakers but with little sense of participation, which, I suppose, awaits the film's inevitable metamorphosis into a video game.

Ever since movies began, the people who make them have been searching for ways by which to bring the members of the audience into the life of the screen. Sound and color have helped. Periodically we are presented with 3-D demonstrations, which are never completely satisfactory. The 3-D world is seen in depth, but it always looks sort of miniaturized, removed and dead until some object comes crashing out from the frame of the screen.

Huge, semi-surround screens, like that used for the original Cinemascope, can sometimes give the audience a feeling of being inside the action of the movie, but seldom to any particular dramatic advantage.

Audiences are drawn into movies not by the literal reality of what they're seeing but by various devices of dramatic invention that invite emotional and/or intellectual response.

'Blue Thunder' ranks as Hollywood's most ambitious video game substitute of the season to date.

in the thick of it, then the experience that allows the viewer to enter the action and to control it, as a video game does, must be more satisfying than an experience that excludes the viewer, all other things being equal. It's true, unfortunately, that all other things often are equal these days, since most action films aren't especially strong on characters or plot.

Consider John Badham's new action-adventure melodrama, "Blue Thunder," set in contemporary Los Angeles. It's full of futuristic hardware, elaborately executed visual and sound effects and, when the action gets going, it's fairly relentless. Yet, because the screenplay is so small it could have been written on the head of a pin, the movie isn't especially fulfilling. The best way to describe "Blue Thunder" is as Hollywood's most ambitious video game substitute of the season to date.

Though star billing goes to Roy Scheider as Frank Murphy, a highly neurotic helicopter pilot with the Los Angeles police, and featured billing goes to Malcolm McDowell, who plays Cochran, a nasty, right-wing, United States Air Force colonel, all of the people in "Blue Thunder" are far less interesting—and far, far less complex—than the title machine. This is the Blue Thunder, which may not be quite "the ultimate weapon" the ads say it is, although it's certainly impressive.

The Blue Thunder is the latest thing in helicopters, capable of speeds comparable to those of conventional aircraft and equipped with all sorts of advanced weaponry as well as with surveillance equipment, which enables the pilot to monitor conversations on the ground and to take pictures through walls. On the eve of 1984, Big Brother has arrived in Los Angeles.

As a story for the film, the screenwriters have come



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DISCOVERING FINLAND

By NETANEL LORCH/Special to The Jerusalem Post



Ice-fishing in Finland's partially frozen lakes. (Unipix)

"HAVE YOU been to Scandinavia?" asked the beautiful Finnish consul at a luncheon arranged by the Finnish ambassador. I replied in the affirmative. "And to Finland?" No.

"That's typical," was her reply. And indeed it was — not only for Israelis. Many of the delegates to the Inter-Parliamentary Union Conference at Helsinki last month told me that they had been to Denmark, Sweden and Norway but this was their first visit to Finland. I wondered why.

Finland is a vast country. "Excluding sea," it covers 338,000 square km, over 16 times the size of "little Israel," and 12 times the size of "greater Israel," with a population of about 4,800,000, which is somewhere halfway between little Israel and greater Israel today.

It is a country blessed with water, with 55,000 lakes, give or take a few. And then there are 30,000 islands. Good friends own a little island on which they have built a summer house. It was too early in the year to visit there — ice is still thawing on the lakes in late April. When I told someone that we had lunch at the restaurant near the lake, he laughed. A restaurant near a lake in Finland is like a restaurant at a roadside elsewhere.

Sixty-five per cent of the country is covered with forest, natural forest, not the creation of the JNF and its generous donors. Wherever you go, silver birch, pine and spruce extend to the horizon. Wood, pulp, plywood, paper and paper board are still the main exports — accounting for about 40 per cent, as against 31 per cent for the metal industry. The stationery of the Queen of England and the newspaper used in Japan have this in common; they originate from Finland.

THE FINNS like their privacy. The story goes that a Finn built himself a log house near a river; he wanted to be by himself. One day, to his dismay, he found splintered wood floating down the river — a sure sign that somewhere up river someone else was building. He pulled down his house and moved elsewhere.

Privacy is akin to loneliness, particularly in the long winter months and most particularly in the north, where for days on end, there is no sunlight. The curse of alcoholism is frequently attributed to this, to loneliness. Prohibition did not provide an answer; as elsewhere, it encouraged smuggling. A government monopoly on the manufacture and distribution of alcohol, named ALCO, has significantly increased revenue, but has hardly influenced consumption.

We spent an evening at the home

of the secretary of the temperance society. Through simultaneous action in the fields of legislation, taxation, education and rehabilitation he believes that the tide has been turned: consumption is finally decreasing, although the ill effects are still very much in evidence.

Helsinki is 300 km from Leningrad, originally constructed on land taken from Finland, a Swedish province at that time. It is located to the east of Warsaw, Rega, Kovno and, of course, Berlin. Across the bay, Tallinn, capital of the Estonian Soviet Republic, is only 80 km away. On TV, we watched the May Day Parade in Moscow — in colour — transmitted from Tallinn. The Soviet Union is Finland's most important trading partner by far, accounting for close to 25 per cent of both exports and imports, almost double the amount of the runner-up, Sweden. Eighty per cent of Finland's petroleum comes from the USSR.

For over 100 years, from 1809 until it gained its independence in 1917, Finland was an autonomous province of Russia, sometimes more, often less autonomous. In the course of the Second World War, Finland fought twice against the Soviet Union. At first, during the winter war of 1939-40, it was against Russia, allied with Hitler Germany. Molotov and Ribbentrop, when they agreed on the partition of Poland in 1939, agreed at the same time to give Russia a free hand in its dealings with Finland. Subsequently, from 1941 until 1944, the Finns fought side by side with the Germans, regained lost territory, but then refused to attack Leningrad. In 1944, the Finns made a separate peace, following which they turned against their erstwhile allies, the Germans, who were still deployed in the north of the country. The price of that peace was Karelia, Finland's eastern province. It was handed to the Russians, not under military pressure, but as the price for peace.

A nostalgic attachment to Karelia is still evident everywhere: Karelian music, Karelian dances, Karelian food — in truth, very much akin to the Russian variety — at official receptions, attended by all, including the Russian delegation, are a common feature. But there is no political irredentist movement aiming at a return of the province.

Marshal Mannerheim, the architect of both the military campaigns against Russia and the subsequent peace negotiations, with their

painful concessions, is considered the outstanding figure in Finnish history. His statue, on horseback, is situated opposite the massive, imposing parliament building: the main thoroughfare of Helsinki bears his name. Before 1917 he had been one of the highest ranking Finnish officers in the Russian Army. Like many other members of the Swedish minority, he hardly spoke Finnish — he was fluent in Swedish, Russian and French.

FINLAND is not a Russian satellite; it does not receive orders from Moscow; it is in fact the only country on Russia's western border which was vacated by Soviet troops

after World War Two and which is a staunch, Western-style democracy. But it is constantly aware of its geopolitical position.

"It has gained a free hand in its internal affairs at the expense of limiting its freedom in external matters," as one seasoned Western observer put it. There is no Finnish condemnation of Russia's invasion of Afghanistan on record. On the other hand, the Helsinki Conference on security and cooperation in Europe, bringing NATO and the Soviet bloc together around one table, is considered as the crowning achievement of Finnish post-war diplomacy.

Jokes about Finnish-Soviet relations: about former president Urho Kekkonen's Kekkonism; about Kekkonen being invited to Moscow as a consultant, to advise the Russians on how best to deal with the powerful neighbour in the East. Nobody seriously considers a change in the basic attitudes. On the other hand, independence in internal affairs is jealously guarded; any sign of interference from the outside is resented and boomerangs. In elections last March, the Communists lost considerably: President Mauno Koivisto won against an opponent who had received heavy-handed support from Russia.

The Finnish Parliament, in its present one-chamber structure, dates back to 1905 — 12 years before independence. Its home is a striking combination of the original building with an ultra-modern new wing, also housing an extensive library, open to students of law and political science from all over the country. The nude statues decorating the plenary hall would hardly be acceptable in the Knesset, even though the female sculpture symbolizing the future, turns its back on the MPs.

Swedish is the second working language in Parliament, out of deference to the Swedish minority, about 6 per cent and decreasing. The practical arrangements for translation into and from Swedish are identical with those prevailing in the Knesset for Arabic.

Very much unlike the Knesset, there is no time limit for speeches. The Speaker, in other ways a very powerful figure, is entitled only to inquire from an MP when he would agree to interrupt his speech for a meal or refreshments. In 75 years, no speaker was ever cut short, and yet the average number of sitting hours during the year is practically equal to that in the Knesset, whereas the number of laws adopted is many times greater, largely because of the sparing use made of secondary legislation.

Probably a unique feature of the Eduskunta, Finland's Parliament, are its sauna and swimming pool. It is doubtful whether other parliaments would dare allocate public funds to such luxuries, but then in Finland a sauna is not considered a luxury, but a necessity and essential fixture in every home.

It is estimated that there are some 500,000 saunas in Finland, one for each nine persons. Like many other

novices, I was handed a "Sauna Hero" diploma after using the parliamentary sauna. This is a Finnish way of pleasing visitors, while also poking discreet fun at them.

THE JEWISH community is small and decreasing: some 850 in Helsinki, 250 in Turku, the ancient capital, religious centre and university town. Until a few years ago, there was also a small community in Tampere; only eight are now left. Quite a number of Finnish Jews have immigrated to Israel; others have fallen by the wayside, as a result of mixed marriages. But Helsinki has a full range of religious and communal services, an impressive synagogue, a Jewish school, a young rabbi — one of Denmark's rabbinical Melchior family, which at the present time provides three out of four Nordic countries — with rabbis.

The rabbi in Helsinki, graduate of a Jerusalem yeshiva, is only 24. His sermons are still delivered in a mixture of Danish and Swedish, but he works hard — and hard work it is — at studying Finnish. He is obviously well liked by the community.

The founders of the community were Cantonists, Russian Jewish soldiers who at the end of their 25-year stint were permitted to settle beyond the pale, in autonomous Finland. The Tora ornaments in the synagogue were brought by them. As elsewhere, the establishment of the Hevra Kadisha was the first sign of a Jewish community. Whatever a Jew does in his lifetime, he wants to be buried as a Jew.

The Cantonists' grandsons fought in the Finnish Army against the Russians. In the course of the "continuation war" during 1941-1945, they often fought side by side with Germans, and in some cases, because of their knowledge of German, Jews served as liaison officers with neighbouring German units — during World War Two, when Einsatzgruppen were active in the front and death camps in the rear. A macabre twist indeed of Jewish destiny.

At one time the Germans, asserting their authority in allied Finland, demanded the delivery of Finnish Jews. Boats were waiting in the harbour to take them away to their final destination. Eight Jews were handed over, non-Finnish citizens. They were the only Finnish victims of the Holocaust. Yad Hashmona near Neve Ilan, founded by Israel-loving Finns, is their monument, the memorial of a retail, not wholesale Holocaust.

When it came to Finnish Jews, Mannerheim was adamant: they were his brothers-in-arms, and he would not tolerate any discrimination. The ships sailed away empty, but their presence in the port of Helsinki is still remembered with a tremor by those who witnessed their arrival and departure.

MANY THOUSANDS of Finns have visited Israel. One group alone, which combines Christian religious fervour with equally enthusiastic support for Israel, has so far dispatched about 4,000 of its

members. Its name is Carmel. Its emblem is the Magen David enshrining a cross. We visited their centre near Tampere, Finland's Manchester. Located in a former farm compound — needless to say, on the shore of a lake — it has six permanent workers, all of whom have been to Israel between six and 12 times, all speak some Hebrew. Their youngsters come to the centre before visiting Israel to be told about the country and to learn some Hebrew. The Carmel youngsters are carefully screened; no wonder that in the kibbutzim to which they come, like Ma'ale Hahamisha and Kiryat Anshim, they are particularly welcome. No drug addicts, no cranks and cop-outs among them. Their spiritual leader, Seppo Seppälä, has written a Hebrew Finnish dictionary.

General Ensio Siilasvuo joined us for breakfast. He is a private citizen now, and, as he wistfully observed, no one is a prophet in his own country. In the course of the last elections for the presidency, he dabbled in politics, as one of the electors, for the Social Democrats. The long period he has served in the Middle East, first with UNEF and subsequently as commander of all UN peace-keeping forces in the region is the highlight of his long career. He is thinking of writing his memoirs. If they will be as outspoken as his conversation with us, they will make interesting reading, not always pleasant to certain ears on both sides of the border.

He recalled one instant when he was asked by a very prominent Israeli, before the signing of the peace treaty with Egypt, whether that country could be trusted. His very Finnish reply: "Can a small people ever trust anyone? If it will be worth their while, the Egyptians will keep the treaty."

The general is particularly grateful for the many manifestations of friendship from ordinary folk in Jerusalem. "They considered us as messengers of peace," he observed.

When the question of a PLO office in Helsinki arose some months ago, Israel's friends in Finland collected 71,000 signatures on a petition to the government to deny per-

mission. A tremendous organizational effort went into the campaign, all voluntary. In the end, the Finnish Government permitted the opening of an information office without diplomatic privileges and during our stay in Helsinki, the director of the PLO office was looking for suitable premises and was already busy on the cocktail circuit. This decision of the Finnish Government is in line with its general policy towards the Middle East, which is somewhere between that of the EEC and the Soviet Union. That line, we were told, is amply reflected by the media and particularly by state-run TV, whose reporting of Operation Peace for Galilee was said to have been among the worst in the Western world with the destruction of the Christian town of Damour by the PLO being "credited" to Israel.

We were told, however, that this policy line did not do justice to the wide-spread grass root support Israel enjoys, particularly among the religiously inclined groups of the population. If proof was required, it was provided abundantly by the Jarvilehtos, our hosts for some days in Tampere. Dr. Ulla Jarvilehto was until recently a Member of Parliament, representing the Christian League. Although she gained a record number of personal votes, she was not re-elected because of the dearth of votes for her party. In many inter-parliamentary conferences she has stood out as a staunch supporter of Israel, often as a brave lone voice. She has now returned to her profession as a gynecologist, but her support, indeed her love for Israel, continues unabated. Together with her husband, a pediatric surgeon, and their gifted children, we spent hours singing Hebrew songs, talking about Israel and Judaism. Together we attended an Israel Independence Day celebration organized by her friends, with hundreds of participants, who greeted my wife and me with "Shalom Haverim" sung in Hebrew. From their daughter Varpo, we received a beautifully made gift with the inscription "we love Israel." They do, indeed: an unconditional love, which asks for no reward. We shall have to work hard in order to deserve such love from far away Finland.

The author is the former clerk of the Knesset and outgoing president of the Association of Secretaries General of Parliaments.

BANK LEUMI LE-ISRAEL B.M. NOTICE TO THE HOLDERS OF ORDINARY STOCK

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Bank will be held at its Registered Office, 24-32 Yehuda Halevy Street, Tel Aviv on 7th June, 1983, at 10.20 a.m. for the purpose of considering and, if thought fit, passing the following Resolutions as Special Resolutions:—

RESOLUTIONS

1. THAT the Authorized Share Capital of the Bank be increased to IS 15,000,000,000 by the creation of 50,000,000,000 new shares of IS 0.1 each and that such shares shall upon being issued and fully paid, be converted into stock.
2. THAT a sum of IS 3,112,846,047.40 out of the Share Premium Account be appropriated to a Reserve for the Proposed Distribution of Capitalization Shares.
3. THAT a total of IS 3,112,846,047.40 out of the sums thereafter standing to the credit of the Reserve for the Proposed Distribution of Capitalization Shares together with the Special Sum (as defined below) be and the same hereby is capitalised and freed for distribution amongst the holders of Special Voting Shares and of Ordinary Stock whose names appear on the Register of Members at the close of business on 11th June, 1983 (hereinafter the "Record Date") and THAT the Directors be and hereby are authorized and directed to appropriate the said sum of IS 3,112,846,047.40 and the Special Sum to the said holders of Special Voting Shares and for every IS 0.1 nominal Ordinary Stock then held by them and to apply the said sum of IS 3,112,846,047.40 and the Special Sum on their behalf in paying up in full Ordinary Shares of IS 0.1 each for allotment and distribution as fully paid up and amongst such members in the proportion aforesaid.

The Special Sum shall be such sum (additional to the said sum of IS 3,112,846,047.40) standing to the credit of the Share Premium Account as may be necessary to pay up in full the number of shares to which holders of Ordinary Stock will be entitled as aforesaid, but whose Ordinary Stock was not taken into account in calculating the said sum of IS 3,112,846,047.40 because such Ordinary Stock has or shall have been allotted between 31st December, 1982, being the date such calculation was made, and the Record Date, to satisfy the exercise after 31st December, 1982 of conversion rights attaching to Capital Notes (Options) 1983 (Series A), subscription rights attaching to the outstanding Warrants of Series 13 and conversion rights attaching to the Convertible Bonds of Leumi International Investments N.V.

The Shares to be allotted as aforesaid will be converted into Ordinary Stock which shall be identical in all respects with the existing Ordinary Stock.

4. THAT the Articles of Association of the Company be amended as follows:
 - a. By deleting the second sentence in Article 108 and substituting the following sentence therefor: "The Company may also exercise the powers conferred by the Companies Ordinance of keeping in the United Kingdom of Great Britain and Northern Ireland and in the United States of America a branch Register of Members resident there and such powers shall be vested in the Directors."
 - b. By deleting from Article 61 the words "if convened upon such requisition as aforesaid shall be dissolved but in any other case it"

By order of the Board
A. Sullam, Adv.
Secretary

18th May, 1983

בנק לאומי bank leumi

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ISRAEL LANDS ADMINISTRATION
Haifa District

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Build Your House in Atlit

Notice to those who have registered

The draw for the above scheme will take place on Thursday, May 19 at 4:30 p.m. in the Atlit Matnas (near the national religious school).

An invitation has been sent by registered mail to all who registered.

This notice is to be regarded as an additional reminder of the venue of the draw. Those who, for any reason, do not receive an invitation, are asked to regard this notice as a personal invitation.

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Two Swiss watchmaking giants merge

ZURICH (Reuters). — Swiss banks are to back the merger of the country's two leading watchmaking groups with 600 million Swiss francs (\$295 m.) in the biggest buy-out in the history of Swiss industry, banking sources said on Friday.

Allgemeine Schweizerische Uhrenindustrie (ASUAG) announced plans to combine with Societe de Suisse pour l'Industrie Horlogere (SSIH) to form the world's second-largest watchmaking concern after Japan's Seiko group.

Both Swiss firms have suffered sizeable losses in recent years, and only two years ago SSIH had to be

saved from bankruptcy by 300 m. francs (\$148m.) of aid from the banks.

ASUAG markets Rado and Longines watches, while SSIH produces Omega and Tissot. Neither group has been able to cope with worldwide over-production, tough competition from cheap producers in the Far East and the effects of recession.

ASUAG has said its 1982 shortfall is expected to be about the same as the 44m. francs (\$22m.) lost in 1981. SSIH, which lost 162m. francs (\$80m.) in 1980 and 38m. francs (\$19m.) in 1981, said in a shareholders' letter last February

that 1982 would also see "a considerable loss."

Switzerland's volume share of the world market in watches has dropped from 30 per cent in 1970 to around nine per cent today. In terms of value, it still has nearly a third of the market, since it concentrates on expensive models.

During the past decade, world production of watches has more than doubled, resulting in huge stocks of unsold watches accumulating in warehouses. Hongkong nowadays makes about half of all watches sold, followed closely by Japan.

Scitex wins Export Prize; Star Diamonds comes 2nd

By AARON SITTNER

A superior Israeli product shipped abroad not only earns badly needed foreign currency but frequently creates more goodwill for Israel than its diplomats or other official representatives, President Chaim Herzog declared yesterday.

He spoke at ceremonies at Beit Hanassi inaugurating Export Week. "All through history," said the president, "the Jewish people have been exporters — mostly in the fields of culture and ethical matters." Now, in one of his first official acts as president, he was presiding at ceremonies feting Jewish industrialists and businessmen for excellence in exporting Israeli goods.

The highest honour — the Israel Export Prize for 1982 — went to Scitex of Herzliya, manufacturer of computer-based graphic systems, for exporting \$50 million worth of its products and services. A Ramat Gan diamond firm — Star Polishing Works — came in second with the Special Honourable Mention Award.

Eleven other companies were awarded the Outstanding Exporter Award for 1982. They are: Bermad Irrigation Controls, of Kibbutz Evron; Ashot Ashkelon Industries; Automotive Industries, Upper Nazareth; Intel Israel, Haifa; Tefron, Tel Aviv; Domain Magnetics, Jerusalem; Yosi Jewelry, Tel Aviv; Nazareth Candy Company, Upper Nazareth; Pamol, Arad; Dan Sprinklers, Kibbutz Dan, and Polygal, Kibbutz Ramat Hashofeh.

Each of the three awards requires substantial year-to-year progress in exporting manufactured or processed merchandise. For example, the 11 firms winning the Outstanding



Scitex vice-president Arthur Low holding award certificate

(Rahamim Yisraeli)

Export Award had to ship at least a third of their output to foreign customers, sell at least \$1.5 million worth of goods abroad during 1982 and double their exports in the past four years. They also had to maintain or expand their markets from year to year and achieve other targets set down by the Ministry of Industry and Trade.

Industry and Trade Minister Gideon Peat congratulated yesterday's winners, lauding them for "almost maintaining last year's export levels, and even employing two per cent more workers in local industry."

At the same ceremony President Herzog also handed certificates of "Distinguished Trading Partners" to outstanding exporters of Israeli products from Argentina, Venezuela, Belgium, U.S., France, Britain, Sweden, Holland, Greece, Italy, Switzerland and Germany.

U.S. production accelerates as prices decline

WASHINGTON (Reuters). — U.S. factory production jumped 2.1 per cent in April for the highest monthly rise in nearly eight years and wholesale prices fell by 0.1 per cent, the government reported yesterday.

The 2.1 per cent leap in output by factories was the largest monthly in-

crease since August, 1975, the Federal Reserve Board said.

Martin Feldstein, President Reagan's top economic adviser, said the figures indicated the economic recovery was shifting into higher gear. The Administration's goal has been to promote a return to strong growth without a resurgence of inflation.

Your money and your questions

By JOSEPH MORGENTHAU

QUESTION: I am a pensioner and over the years have bought government-issued indexed bonds whose terms stipulate a maximum income tax of 25 per cent. Now I am being charged an additional 2 per cent Peace of Galilee levy when I sell a bond, which reduces my income severely. Do you think that the levy is in keeping with the government's promise?

ANSWER: The terms of the bonds have not been changed. It seems to me that the principle of sharing in the costs of the war is at stake here and not any change in the terms of the bonds.

QUESTION: Commercial banks charge a fine when I withdraw foreign currency before the deposit matures. Can banks charge whatever they wish, or are they controlled in this respect?

ANSWER: Banks are authorized to deal in foreign currency by the Finance Ministry. The Bank of Israel carefully supervises their activities and their charges are controlled.

QUESTION: I have heard the expression "technical analysis" in connection with stocks. What does it mean?

ANSWER: Technical analysis regarding the buying and selling of stocks completely avoids basic evaluations such as profitability and

quality of management. A technical analyst, or a chartist, as he is generally known, plots price and turnover movements of a share and on the resulting configuration draws his buying or selling decisions.

QUESTION: My wife and I have a joint securities account which is handled by a portfolio manager. At my request a portion of the funds is invested in speculative issues. My wife is very upset when she sees the monthly ups and downs. What should I do?

ANSWER: To avoid arguments you can set up a second securities account, on which only the speculative shares will appear. I am sure you can arrange it that your wife never receives this report.

QUESTION: What is your opinion on currencies other than the American dollar?

ANSWER: There is a clear case for establishing positions on the Japanese yen. The Japanese economy shows a marked degree of strength. The country has low inflation, high productivity and a fine record of exports. There is every reason to believe that the yen will continue to perform well against the dollar. Furthermore, it should be noted that every time U.S. interest rates fall and the spread between non-dollar and dollar interest rates narrows, the case for holding non-dollar currencies becomes stronger.

Israel Lands Administration Tel Aviv District Offer for Lease of 3 Total Construction Plots in Holon-Kiryat Ben-Gurion

The Israel Lands Administration invites bids for the signing of a development contract for the following areas, details of which at the time of publication of the tender, were as follows:

Tender no.	Block no.	Parcel no.	Plot no.	Approx. area (sq.m.)	Total plot capacity (sq.m.)	Total housing units to be built	Minimum price (US\$)	Deposit (US\$)
TA/83/14	7183	51.54	1	2644	4888	47	18 887.000	900.000
TA/83/15	7183	51.54	2	3123	6150	60	24 112.000	200.000
TA/83/16	7183	51.54	3	2045	4200	41	17 976.000	900.000

In addition to the land price, the tender award will be required to pay the Holon Municipality, in lieu of development and infrastructure for the entire plot, the sum of IS 3,500,000, linked to the April 1983 index. Details, sample contracts, Building Plan 235/82, development appendix and other details available at our Tel Aviv district office, 116 Derech Petah Tikva, Tel. 334934 during regular working hours.

Deadline for submitting bids is 12 noon on June 15, 1983.

Bids not in the tenders box by the above time for any reason whatsoever, will not be considered.

The Israel Lands Administration does not undertake to accept the highest or any other bid.

Israel Lands Administration Southern District Eilat Municipality Arim Municipal Development Co. Ltd.

Plots for Owner-Occupier Construction Shechunat Haganim, Eilat

A number of plots remain from the above scheme. These will be allocated to the public, on the basis of the updated value of the land and the development costs. All other conditions and additional details are available from the Israel Lands Administration, Beersheba district office, Rehov Ha'atzma'ut, (over Ulamei Yehalom), and from our Eilat office, 108/1 Rehov Almogim, during regular working hours.

The plots will be allocated on a first come, first served basis, at the Administration's Eilat office, address as above, starting Sunday, May 22, 1983 (10 a.m.) and continuing every day.

At the above time, a draw will be held among those present.

When coming to register, bring a banker's cheque for IS 30,000, made out to the Israel Lands Administration.

The offer contained in this notice is valid until July 9, 1983.

TWO-IN-ONE CROSSWORD

CRYPTIC PUZZLE

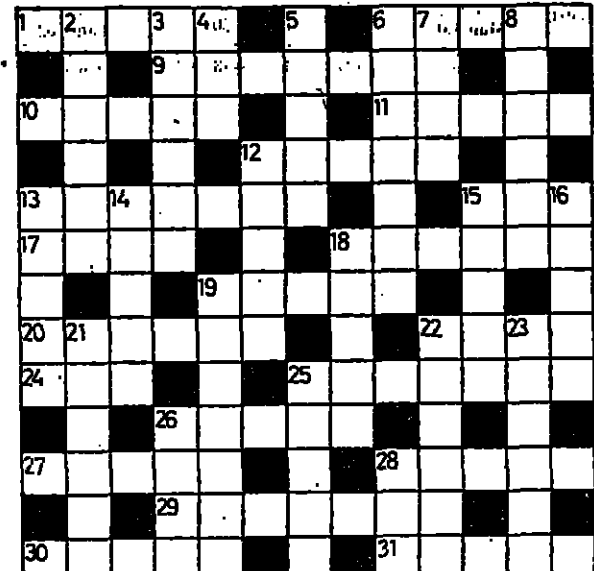
ACROSS

- Give one's address (5)
- A personal opening (5)
- Rose to be a hiker (7)
- Dirty as my rig may be (5)
- Restaurant bills (5)
- Looks soft in the head (5)
- Well-liked turn in one part of London (7)
- Youth in the part of Aladdin (3)
- River duck with a red back (4)
- Two-piece attol (6)
- Cup for Steve? (5)
- Frederic always had meat in (6)
- Length of a motorway to the French (4)
- Attilla, for instance, was a bit of a Dutch uncle (3)
- Fattening food item? (7)
- Go out, girl! (5)
- Where drink's concerned, this is for suckers (5)
- Right to get into shelters with injuries (5)
- Man o'war (7)
- A friend to cry on, possibly (5)
- Weapons at the damage (5)

DOWN

- Time of misplaced pride about love (6)
- Old soldier's bodyguard! (6)
- Girl after Jay? (3)
- Comparatively competent (5)
- Politician after me for his place (7)
- Some more sources of metal (4)
- Flier taking a count (6)
- Nag pa about a

Use the same diagram for either the Cryptic or the Easy puzzle.



EASY PUZZLE ACROSS

- Mails (5)
- A, E, I, O or U (5)
- Changed (7)
- Young mare (5)
- Attain (5)
- Iron (5)
- Malefactors (7)
- Choose (3)
- Work in wool (4)
- Metal (6)
- Plant secretion (5)
- Sluggish (6)
- Persia (4)
- Take to court (3)
- Mythical female (7)
- Snake (5)
- Month (5)
- Irish lake (5)
- Convey (7)
- Eyelid inflammations (5)
- Make amends (5)

DOWN

- Source (6)
- Natural gift (6)
- Cunning (3)
- Lists to (5)
- Rendering (7)
- Poems (4)
- Get away (6)
- Snooped (5)
- Parodies (5)
- Saltpetre (5)
- Musical drama (5)
- Fashion (5)
- Apple drink (5)
- Conundrums (7)
- Production (6)
- Significance (6)
- Light firearm (3-3)
- Deserve (5)
- Assistant (4)
- Meadow (3)

Solutions to today's puzzle tomorrow

Yesterday's Cryptic Solution

ACROSS — 3. Clubs, 8. Cubit, 10. Latex, 11. Nab (rev), 12. David, 13. Care for, 15. GI-Les, 18. Ran, 19. Cheese, 21. Mate, 22. Re-AL, 23. Hill (St Blues), 24. Marbles, 26. Animal, 29. All, 31. Tact, 32. Steps-on, 34. NUDES, 35. Ear, 36. Major, 37. Tryst, 38. Ready.

DOWN — 1. Lunar, 2. Libe-RA-I, 4. Lear, 5. B-light, 6. Sadie, 7. Lewis, 9. Bar-12, Donegal, 14. Fat, 16. Lewis, 17. Pity, 20. 22. Eras, 23. Sark, 24. Deities, 26. Prides, 29. Sud, 31. Socks, 32. Strange, 34. Apply, 35. Tor, 36. Lotto, 37. Sewer, 38. Ether.

Yesterday's Easy Solution

ACROSS — 3. Spite, 8. Cover, 10. Omega, 11. Kit, 12. Storm, 13. Menace, 15. Reaps, 18. IR, 19. Mitten, 21. Mate, 22. Eras, 23. Sark, 24. Deities, 26. Prides, 29. Sud, 31. Socks, 32. Strange, 34. Apply, 35. Tor, 36. Lotto, 37. Sewer, 38. Ether.

DOWN — 1. Piker, 2. Details, 4. Puts, 5. Torrid, 6. Emmet, 7. Agape, 9. Win, 12. Seaweed, 14. Cry, 16. Atlas, 17. Snake, 19. Modesty, 20. Heaps, 21. Panic, 23. Sedates, 24. Despot, 25. Tar, 27. Robot, 28. Skate, 30. Agree, 32. Sloc, 33. Now.

ENTERTAINMENT

TELEVISION

EDUCATIONAL: 8.45 Citizenship 7-9 8.35 English 8.50 Geography 7-9 9.30 English 9.10 Mathematics 4.10.30 Programme for Kindergarten 11.00 Spoken Arabic 11.15 Math/Geometry 6.11.30 Math/Geometry 11.45 English 7.12.05 English 8.12.30 Literature 9.12.10.05 High School Science 10.00 Evergreen's University 10.10.05 Early Years 16.00 Hand-drawn 16.10 Battle of the Planets 16.40 Follow Me — beginners' English for adults 17.00 A New Evening — live magazine

JORDAN TV (unofficial)

17.30 Cartoons 18.00 French Hour 19.00 JTV 3 The Muppet Show 19.00 News in French 19.30 News in Hebrew 20.00 News in Arabic 20.30 Tavi 21.10 Smiley's People 22.00 News in English 22.15 'Music in Time'

ON THE AIR

Voice of music 6.03 Musical Clock 7.07 Boyce, Symphony No. 3; Webern: Clarinet Concerto (David Glaser); Rameau: Suite; Bach: Wedding Cantata, Dvorak: Piano Quartet, Op. 23 (Jarkovits); Julliard: Britten, Simple Symphony; Tchaikovsky: Piano Concerto, Op. 23 (Gutierrez); Grieg: Holberg Suite; Mendelssohn: Violin Sonata No. 2, Op. 58; Schumann: Symphony No. 4; Brahms: Symphony No. 4 (Chicago, Levine)

First Programme

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Second Programme

6.12 Gymnastics 6.30 Editorial Review 6.40 Green Light — drivers' corner 7.00 This Morning — news magazine 7.10 First Thing — with Elud Manor 7.15 All Shades of the Network 7.20 Green Line — news and music 7.30 Midday — news commentary, music 7.40 Questions of Interest 7.50 Questions and answers on halachic matters 7.55 Magazine 7.55 Of People and Places 8.00 Safe Journey 8.10 Law and Justice Magazine 8.10 Sabbath songs 8.15 Folk songs 8.20 Treasure Hunt — radio game

Third Programme

6.12 Gymnastics 6.30 Editorial Review 6.40 Green Light — drivers' corner 7.00 This Morning — news magazine 7.10 First Thing — with Elud Manor 7.15 All Shades of the Network 7.20 Green Line — news and music 7.30 Midday — news commentary, music 7.40 Questions of Interest 7.50 Questions and answers on halachic matters 7.55 Magazine 7.55 Of People and Places 8.00 Safe Journey 8.10 Law and Justice Magazine 8.10 Sabbath songs 8.15 Folk songs 8.20 Treasure Hunt — radio game

Fourth Programme

6.12 Gymnastics 6.30 Editorial Review 6.40 Green Light — drivers' corner 7.00 This Morning — news magazine 7.10 First Thing — with Elud Manor 7.15 All Shades of the Network 7.20 Green Line — news and music 7.30 Midday — news commentary, music 7.40 Questions of Interest 7.50 Questions and answers on halachic matters 7.55 Magazine 7.55 Of People and Places 8.00 Safe Journey 8.10 Law and Justice Magazine 8.10 Sabbath songs 8.15 Folk songs 8.20 Treasure Hunt — radio game

Fifth Programme

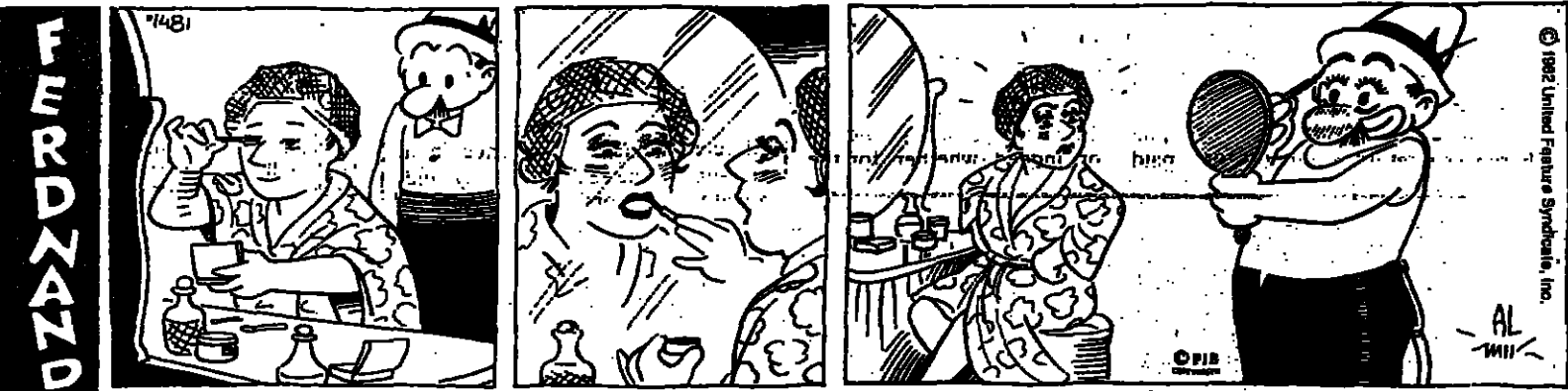
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Sixth Programme

6.12 Gymnastics 6.30 Editorial Review 6.40 Green Light — drivers' corner 7.00 This Morning — news magazine 7.10 First Thing — with Elud Manor 7.15 All Shades of the Network 7.20 Green Line — news and music 7.30 Midday — news commentary, music 7.40 Questions of Interest 7.50 Questions and answers on halachic matters 7.55 Magazine 7.55 Of People and Places 8.00 Safe Journey 8.10 Law and Justice Magazine 8.10 Sabbath songs 8.15 Folk songs 8.20 Treasure Hunt — radio game

Seventh Programme

6.12 Gymnastics 6.30 Editorial Review 6.40 Green Light — drivers' corner 7.00 This Morning — news magazine 7.10 First Thing — with Elud Manor 7.15 All Shades of the Network 7.20 Green Line — news and music 7.30 Midday — news commentary, music 7.40 Questions of Interest 7.50 Questions and answers on halachic matters 7.55 Magazine 7.55 Of People and Places 8.00 Safe Journey 8.10 Law and Justice Magazine 8.10 Sabbath songs 8.15 Folk songs 8.20 Treasure Hunt — radio game



GENERAL ASSISTANCE

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DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics), Hadasah E.N.T., Mirav Lachish (obstetrics), Shaare Zedek (ophthalmology), Tel Aviv: Rukh (pediatrics, internal, surgery), Netanya: Lachish (obstetrics, internal, pediatrics, gynecology), Migdal Leumi: Open line 4-6 p.m. every Monday, answers to obstetrics, gynecological, sterility, sexual functioning and family planning problems. Tel. 02-633356.

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POLICE

Phone numbers: Jerusalem, Tel Aviv, Haifa — 101, Dan Region (Ramat Gan, Bnei Brak, Givatayim) — 787111.

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WHAT'S ON

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Jerusalem

MUSEUMS Israel Museum. Exhibitions: Oil Lamp section; Permanent collection of Judaica, Art and Archaeology; 51 Months to Job One; Bealot Expedition to the Holy Land, Helmut Lerski, Photographs 1910-1947; Impressionism and Post-Impressionism, 20th cent. Art, Israeli Art; New Acquisitions 1982-83; Gabi Klammer, David Reeb, Landscapes 1983, 11 sculptures and Triptych, Israel Tamarik, Visions hours: Sun, Mon, 10-10; Tue, (Shavuot eve) 10-12; Wed, (Shavuot) 10-12; 7-10; Thur, 10-10; Fri, closed. Helena Rubinstein Pavilion Visiting Hours: Sat, 10-12, Sun, Mon, 9-1; 5-9, Tue, 10-12, Wed, 10-12, 7-10, 10-12, 10-12.

CONDUCTED TOURS

HADASSAH — Guided tour of all installations — history tours at Kibbutz Hadasah and Hadassah Mt. Scopus, a museum, reservations: 02-416333, 02-426271.

Hebrew University

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CONSERVATIVE JUDAISM TOUR, Call 02-667484.

Tel Aviv

MUSEUMS

Tel Aviv Museum. New Exhibitions: New Painting from Germany, New Painting (Johann Gessell Collection); Castelli, McLean, Paladino, Contemporary Exhibitions: A.R. Penck, Expedition to the Holy Land, Helmut Lerski, Photographs 1910-1947; Impressionism and Post-Impressionism, 20th cent. Art, Israeli Art; New Acquisitions 1982-83; Gabi Klammer, David Reeb, Landscapes 1983, 11 sculptures and Triptych, Israel Tamarik, Visions hours: Sun, Mon, 10-10; Tue, (Shavuot eve) 10-12; Wed, (Shavuot) 10-12; 7-10; Thur, 10-10; Fri, closed. Helena Rubinstein Pavilion Visiting Hours: Sat, 10-12, Sun, Mon, 9-1; 5-9, Tue, 10-12, Wed, 10-12, 7-10, 10-12, 10-12.

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